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RETAIL FOOD PRICES AT GROCERY STORES (1964 ESTIMATED 1978)

APRIL 1978



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Somewhat stronger than expected food price increases early this year, coupled with a sharp reduction in pork production prospects and a higher rate of inflation in the economy, suggest food prices for all of 1978 may average around 6 to 8 percent above last year.

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1978 Food Prices on the Upswing

Outlook Highlights:

- Stronger than expected food price gains early this year, along with sharply reduced pork production prospects and a higher rate of inflation in the economy than expected early, point to stronger 1978 food prices. It now appears food prices for all of 1978 may average around 6 to 8 percent above last year.

- Recent USDA survey shows sharply reduced hog numbers relative to earlier indications. This report implies 1978 pork output may gain only 1-3 percent vs. earlier expected 10 percent rise. This will put considerable upward pressure on all meat prices in 1978, since beef production is still expected to be down.

- Further policy actions being considered to boost farm income with several bills introduced in Congress and Administration initiatives being reviewed. Farm groups pressing for government actions to raise prices.

- Food demand in early 1978, especially for meat, appears very strong, bolstered by higher consumer incomes and larger employment.

- General economic indicators are mixed; harsh winter has taken toll on early 1978 economic activity and inflation rates appear to be picking up.

- Coal strike has been settled. The strike had generally minimal impact on food and agricultural sector.

- Transportation problems persist. Grain shipments lag due to weather-caused railcar shortages, but spring weather will help.

- Livestock prices stimulated by prospects for little expansion in hog slaughter and a smaller cattle inventory. Severe winter weather has disrupted marketing patterns and slowed weight gains.

- Domestic soybean prices have jumped; reduced Brazilian crop boosts demand for U.S. supplies.

- Severe drought cuts Brazil's agricultural production prospects. Soybean crop may

total 10-10.5 million metric tons, down from 1977's 12 million.

- Wheat reserve held by U.S. producers continues to expand; now totals over 250 million bushels.

Food Prices May Average 6-8 Percent Above 1977

Grocery store food prices for all of 1978 may average around 6 to 8 percent above last year. This would be above the 4 to 6-percent average increase estimated earlier and compares with a 6 percent rise in 1977.

All three of the major components of grocery store food prices—the farm value of domestic food commodities, farm-to-retail price spreads for these foods, and prices for imported foods and fish—are expected to show roughly similar gains. Last year, average prices for imported foods and fish jumped 31 percent—lead by an 85 percent rise for roasted coffee—to account for most of the rise in overall food prices.

Prices for food away from home also are expected to register a 6 to 8-percent increase, reflecting strong demand and cost pressures from labor and other inputs. As a result, the average price increase for all foods will be about the same as that expected for grocery stores.

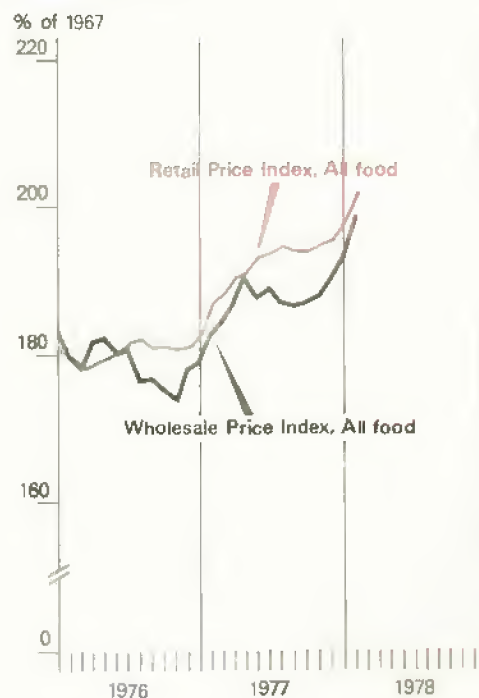
Early 1978 Food Prices Reflect Harsh Winter and Strong Livestock Markets

Winter's bite was sharper than expected this year, and its impact has been felt on food prices. February food prices in grocery stores jumped around 2 percent from the previous month following a January rise of a little over 1 percent.

These sharper-than-expected increases were caused primarily by strong livestock prices, by weather delays in marketing many commodities (including livestock), and by heavy rains which delayed and disrupted normal planting and harvesting of fresh vegetable crops in California.

As a result, first quarter grocery store prices probably averaged around 3 percent above the previous quarter, and nearly 8 percent above year-ago levels. However, price information for the first quarter will not be complete until March data become available in late April. First quarter prices had been expected to rise only about 1 or 2 percent from last fall and average 6 or 7 percent above a year earlier.

FOOD PRICES UP SHARPLY IN EARLY 1978



Farm Prices Pick Up

In contrast to most of last year and to prior expectations, much of the recent strength in retail food prices stemmed from rising prices for farm commodities. Farm prices of raw foodstuffs generally hit a seasonal low last fall while large crops were being harvested. Although all commodity prices have not shared equally in the gain, average farm commodity prices turned upward late last year and registered further increases in early 1978.

From the seasonal low of last September, prices received by farmers for all commodities had risen around 15 percent by March, and were about 5 percent above March 1977. A big part of the overall price rise in recent months was for meat animals—cattle and hogs primarily—which have been running higher than earlier expected.

Barrow and gilt prices shot up to over \$50 per cwt. at Omaha, and held in the upper \$40 range to late March. Cattle prices have also remained strong with Choice steers at Omaha selling for over \$50 per cwt. in late March. Broiler prices have also been bolstered early this year by strength in hog markets.

Crop prices have also risen some in March after holding fairly stable the past few months. The largest gainer was soybeans. Increased demand for U.S. beans partly caused by Brazil's drought-reduced 1978 soybean crop drove domestic prices up more than \$1 a bushel during March. Grains have also risen with wheat prices topping \$3.00 a bushel at Kansas City in late March for the first time since September 1976.

Grower prices of some fresh vegetables have been volatile so far in 1978. For example, lettuce prices in California jumped to \$10 a carton in mid-January, then dropped back before a more modest rise occurred in late March.

The farm value of U.S.-produced food commodities in the first quarter probably averaged around 5 percent above the previous quarter and about 7 percent above a year earlier.

Rising farm product prices this winter reflected a combination of forces. Part of the increase was seasonal as major field crops

and some of the fresh produce staples began to be drawn from storage rather than moving directly to market at harvest time. Perishable vegetable supplies also shifted, as usual, from widespread local producing areas last summer and fall to winter-producing districts in the South causing both production and transportation costs to increase.

However, adverse weather this winter also exacted its toll. Excessive rains in California damaged some fresh vegetable crops and interfered with harvesting operations. Meanwhile, winter storms in the Midwest and Northeast slowed rates of gain for livestock and disrupted the flow of farm commodities and food products to market in some areas.

Meat Prices Reflect Smaller Supplies

Production adjustments in the livestock sector have bolstered farm prices of livestock and poultry in early 1978 and will be having major influences during the rest of this year as well.

USDA's *Hog and Pigs Report* issued March 21 reported significantly fewer hogs than had been indicated last fall. Farmers had indicated last December they intended to have 13 percent more sows farrow in the December 1977-February 1978 period, while the recent report shows sows farrowing were actually down 1 percent. Numerous reports of disease problems, death losses, and sows abortions this winter were probably factors. And producers intend to farrow only about the same number of sows as a year ago

in March-August. Based on this report, pork production in 1978 may be up 1 to 3 percent, rather than the 10 percent rise earlier expected.

Cattle inventories have been sharply reduced over the past 3 years in response to reduced profitability and drought in important range and pasture areas, leading to smaller beef supplies throughout this year.

In the face of apparently strong consumer demand for meats, these reduced supplies have pushed retail prices of beef and pork well above previously anticipated levels.

Marketing Costs Still Rising

Costs in the processing and marketing sector also have continued to increase. Farm-to-retail spreads during the first quarter probably averaged about 2 percent above the previous quarter and around 5 percent above a year earlier, reflecting rising wage rates and higher prices for most inputs purchased by food marketing firms.

Prices for imported foods and fish, products which do not originate on U.S. farms, also contributed a small amount to the winter food price rise. Although retail coffee prices continued to decline slowly, further increases for sugar and other imported foods were more than offsetting. However, the small average price increase this year for this food category contrasts with early 1977 when rapidly rising coffee prices contributed heavily to overall food price increases.

Food Price Rise May Ease This Spring

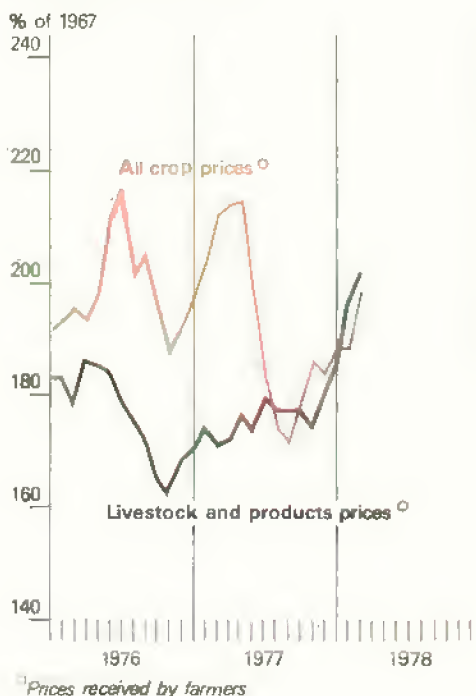
Following sharp increases this winter, food price gains are expected to slow somewhat during the second quarter of 1978. Larger supplies of pork, broilers, and milk in prospect this spring will be partially offset by expected smaller supplies of beef.

Farm prices of eggs, hogs and milk are likely to be easing seasonally in the second quarter. However, April 1 boosts in dairy support prices required under the 1977 Farm Act and only small rises in pork output will limit seasonal price declines of these products. And lower nonfed beef slaughter will reduce overall beef production, pointing to continued strong market prices.

Supplies of most crop food products will be ample to adequate. However, delays in planting schedules for some vegetables due to recent heavy rains in California could result in temporary shortages for a few fresh produce items this spring.

On balance, the farm value of food commodities is expected to hold relatively steady

FARM PRICES SURGE



during this quarter. But further cost increases for transportation, labor, and other marketing inputs likely will push marketing spreads higher. Consequently, retail food prices for the second quarter are expected to average around 2 percent above the first quarter. Since this would be a smaller rise than occurred last year, the second quarter increase from a year earlier may narrow to around 6 percent.

Second Half Food Price Gains May Slow

At this time, it looks like food price gains will probably be slowing in the second half of 1978. Seasonally larger supplies of fresh produce and some meats will partially offset the anticipated increases in marketing costs.

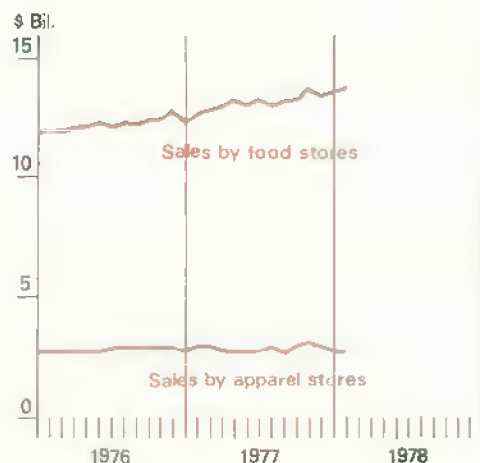
However, prices during the rest of 1978 will depend on a number of key developments including:

- Weather impacts both here and abroad on 1978 crops. Moisture conditions early this year are improved in many areas and the current price forecast is based on generally favorable conditions for 1978 crops.

- Production decisions by livestock and poultry producers. Actions already taken indicate larger supplies of fed beef and broilers in the second half. However, reduced slaughter of nonfed cattle will likely cut overall beef production by 5 to 6 percent from July-December 1977. Pork production may be up a little from a year ago in the second half, although pork, as well as poultry output will likely be up seasonally. Consequently, retail meat prices may ease seasonally in the fourth quarter, but will remain well above year-ago levels.

- Developments on the general economic front. Economic growth is expected to continue in 1978, although at a somewhat slower pace, which implies a moderate rise in food demand.

FOOD STORE SALES STRONG



- Further actions in the farm policy arena. Possible Administrative initiatives or legislation being considered by Congress to raise farm prices further for several crops would probably not have their major impact on retail food prices until late 1978 and beyond.

Food Sales Still Rising

Although total retail sales slumped early this year, most of the drop occurred in durable goods outlets. Sales by food stores continued to rise during the early months of 1978 averaging around a tenth above year-ago levels in January and February.

Meat demand has been especially strong early this year. Nearly the same quantities of pork and beef moved into commercial channels in the first quarter compared with a year ago, but at retail prices around 10 percent higher.

Helping boost food demand early this year has been an improving employment picture and larger consumer incomes. The unemployment rate declined to 6.1 percent in February, lowest since 1974 as total employment edged up to 93 million. Public service employment programs have added around 400,000 to the total payroll since June 1977, about a sixth of the total rise in employment. Moreover, this has expanded the purchasing power of a lower-income segment of the population which would normally spend a larger share of their incomes on food.

Real disposable incomes per person closed out 1977 on a strong note—up around 5 percent from a year ago in October-December 1977. However, income gains have slowed during the first part of 1978 partly because of increased social security payments.

However, the strong demand for food does not mirror demand conditions for the economy as a whole. Recent indicators, while biased by poor weather and the coal strike, indicate first quarter growth rates may be weak. Consequently, the strong food demand we have witnessed early this year may be of a short-lived duration.

February Food Prices Continue Up

Livestock—particularly red meat and poultry—and fresh fruits and vegetables fueled the nearly 2-percent gain in grocery store prices in February. The February increase followed a January rise of little over 1 percent.

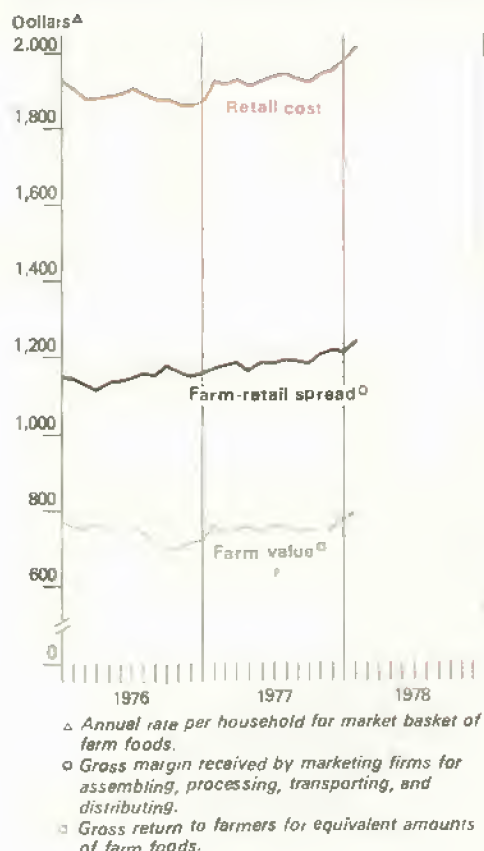
The February food price rise was sparked by a 2½-percent rise in returns to farmers and a 2 percent increase in the marketing spread for processing and distributing foods from U.S. farms. Food marketing firms were pressured by rising wage rates (including new Federal minimum wage rates) and upward price movements for most marketing inputs.

Crop and livestock products contributed almost equally to the February rise. Pork and beef prices each were up about 3 percent, and poultry rose about 2 percent. Eggs, which increased 14 percent in January, decreased 4 percent in February.

On the crop side, fresh fruit and vegetables were up nearly 6 percent, sugars and sweets about 3 percent, and cereal and bakery products and processed fruits and vegetables each a little under 2 percent.

Prices of imported foods rose slightly as sharp increases for bananas, sugar, and chocolate products more than offset continued decreases for coffee. Prices of fishery products were about unchanged.

PRICE SPREADS REBOUND IN FEBRUARY



Harsh Winter Crimps Economic Activity

The economy in February strengthened somewhat from January but some general weakness continues. The recent string of faltering economic indicators points to significantly reduced first quarter rate of growth in real gross national product (GNP). The most recent revision reduced the real GNP growth rate during the fourth quarter of 1977 to 3.8 percent.

The severe winter weather and the coal strike have been blamed for much of the reduced economic activity early this year. It is probable that, like last year, these disruptions will not leave any permanent scars on the economic expansion during 1978. However, the current expansion is now decidedly aged by historical standards, reaching 37 months in April. Developments in particular sectors, such as the recent slowdown in automobile sales, may be taken as evidence of a more general slowing.

While industrial production rose a seasonally adjusted 0.5 percent in February, it had plunged in January a revised 0.8 percent. The coal strike is estimated to have reduced February's total output by about 0.2 percentage points. And despite the slight increase in housing starts in February, total starts remain at a low level—some 25 percent below the last quarter of 1977.

The January rise in consumer prices was the sharpest in 9 months and February wholesale prices continued to accelerate. Thus, the rate of inflation appeared to be picking up early in 1978.

Coal Strike Impacts on Food Industry Minimal

Combined efforts of industry management, State utility commissions, and the Government served to mitigate the adverse effects of the coal strike on the U.S. food system.

Managers in food firms worked to

conserve electricity and to cooperate with utilities in reducing electricity demands. State utility commissioners generally granted higher priorities in power allocation plans to food industries. Power curtailments affecting food firms were limited, avoiding possible food spoilage or shortages. Officials in the Department of Energy assisted the movement of coal and electric power from surplus to deficit regions. At the time of settlement, coal supplies of utilities were about 75 percent of normal.

Lingering effects of the coal strike are not expected to cause significant problems in the food sector. However, coal and electricity prices will likely go higher. Energy costs represent about 12 percent of total food costs, with coal and electricity accounting for about a fifth of energy used in food production, processing and marketing. Earle E. Gavett, (202) 447-4943 and R. Thomas Van Arsdall, (202) 447-5457

KEY STATISTICAL INDICATORS OF THE FOOD AND FIBER SECTOR

	1975	1976		1977					1978		
	Annual	IV	Annual	I	II	III	IV	Annual	I	II	III
									Forecast		
Prices received by farmers (1967=100)	185	176	186	186	189	176	179	183	193	199	202
Livestock and products (1967=100)	172	165	177	172	174	178	177	175	194	197	211
Crops (1967=100)	201	190	197	204	209	175	182	193	191	202	192
Prices paid by farmers, all items (1967=100)	180	191	191	200	204	202	202	202	211	214	217
Production items (1967=100) ¹	187	197	198	207	211	207	206	208	217	220	223
Farm production (1967=100)	114	—	117	—	—	—	—	121	—	—	—
Livestock and products (1967=100)	101	—	106	—	—	—	—	108	—	—	—
Crops (1967=100)	121	—	121	—	—	—	—	129	—	—	—
Farm income: ²											
Cash receipts (\$ bil.)	88.1	92.4	94.3	96.7	97.1	90.4	95.9	95.0	101.2	105.4	102.6
Livestock (\$ bil.)	43.0	45.4	46.4	46.2	46.8	47.8	48.9	47.4	52.6	53.9	56.3
Crops (\$ bil.)	45.1	47.0	47.9	50.5	50.3	42.6	47.0	47.6	48.7	51.5	46.4
Realized gross farm income (\$ bil.)	96.7	101.9	103.6	106.5	107.2	100.8	110.0	106.1	113.4	117.7	114.6
Production expenses (\$ bil.)	75.9	81.2	81.7	84.5	86.5	83.3	88.5	85.7	92.1	93.0	91.0
Farmers' realized net income (\$ bil.)	20.8	20.7	21.9	22.0	20.7	17.5	21.5	20.4	21.3	24.7	23.6
Farmers' total net income (\$ bil.) ³	24.3	18.0	20.0	21.5	21.2	17.5	25.0	21.3	21.8	23.2	22.6
Market basket: ⁴											
Retail cost (\$)	1,876	1,875	1,895	1,913	1,932	1,948	1,952	1,937	2,020	2,060	2,094
Farm value (\$)	784	709	748	742	750	754	756	751	794	795	825
Spread (\$)	1,092	1,166	1,147	1,171	1,182	1,194	1,196	1,186	1,226	1,265	1,269
Farm share (%)	42	38	39	39	39	39	39	39	39	38	39
Retail prices:											
Food (1967=100)	175.4	181.5	180.8	186.6	192.1	194.8	195.4	192.2	201	204	207
At home (1967=100)	175.8	179.3	179.5	184.8	190.3	192.7	192.8	190.2	199	202	205
Away-from-home (1967=100)	174.3	190.1	186.1	193.7	199.1	202.8	205.4	200.3	209	212	215
Per capita food use (1967=100)	102.0	—	105.4	—	—	—	—	104.2	—	—	—
Animal products (1967=100) ⁵	99.7	107.0	103.9	101.8	101.5	103.3	105.6	103.6	101.8	101.8	101.6
Crop products (1967=100)	104.8	—	107.1	—	—	—	—	104.8	—	—	—
Agricultural exports (\$ bil.) ⁶	21.9	5.4	22.8	6.5	6.2	6.3	5.0	24.0	6.1	5.8	5.5
Agricultural imports (\$ bil.) ⁶	9.5	2.8	10.5	2.9	3.6	3.9	3.1	13.4	3.0	3.5	3.8

¹ Including interest, wages, and taxes. ² Quarterly data are seasonally adjusted at annual rates; 1977 data are preliminary estimates. ³ Includes net change in farm inventories. ⁴ Quarterly data are given at annual rates. ⁵ Quarterly data exclude fish products. ⁶ Annual and quarterly data are based on Oct.-Sept. fiscal years ending with indicated years; quarters are for fiscal, not calendar years, i.e., IV 1977 means July-Sept. 1977, III 1977 means April-June 1977.



Commodities

Commodity prices have been volatile in recent months, with price rises outpacing price declines. From the standpoint of livestock producers, this has been a mixed blessing.

Winter prices of livestock and poultry were better than anticipated with solid price rises occurring for slaughter cattle and feeder cattle. And following earlier gains, hog prices held their ground. This has been encouraging to producers who are in the midst of an expansion in feeding—more fed beef, broilers, eggs, and milk are heading to market in 1978.

But recent increases in prices of feed-stuffs have added to production costs. Feed costs are still lower than they were last spring but further rises in relation to animal prices could dampen the expansion in feeding activity now underway.

Because of rather lengthy meat production cycles, farmers' response to changes in profits often takes considerable time. If hog farmers hold back gilts to add to the breeding herd, this would impact supplies and prices of meat about a year from now.

Meanwhile, there are two distinct developments underway in the cattle industry with differing impacts on meat supplies. Cattlemen have been liquidating their herds since the 1975 peak, but higher feeder cattle prices and good grass this year will encourage stockmen to hold cattle off the slaughter

market so they can produce more beef in the future. However, this will cut near-term beef supplies, but the sizable increase in cattle feeding will be partially offsetting.

Higher than expected prices of cattle and hogs have helped bolster prices, and broiler producers are upping production about as much as possible. But stiffening feed costs—which for broiler producers can run as high as 70 percent of all production costs—may have an effect later. Meanwhile dairymen are slowing the upswing in milk output.

Cattle Prices Higher

Fed cattle prices continued to rise in March, bolstering feeder cattle and calf prices as well.

However, fed cattle prices may dip during the spring. Even so, the 1978 price average is now expected to top \$46 per 100 pounds.

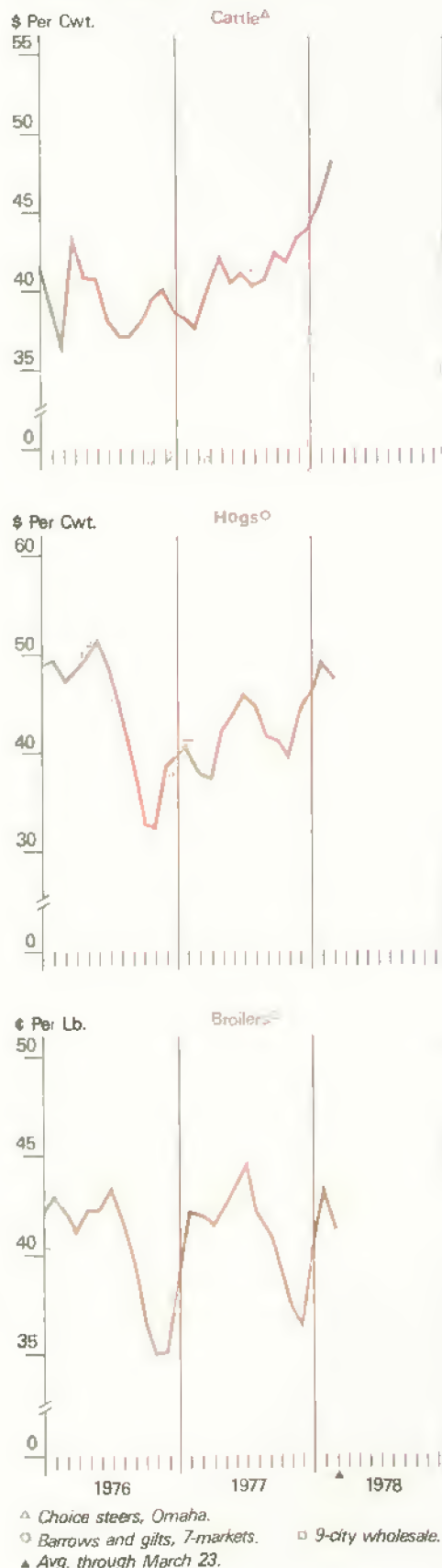
A 6- to 8-percent increase in fed cattle marketings is anticipated for the spring. Total steer and heifer slaughter through mid-1978 will be largely unchanged from 1977. Slaughter of grass-fed steers and heifers may be reduced a third. An estimated 1-percent decline in total beef output took place in the winter quarter; a similar reduction in beef production is likely this spring.

A 5- to 6-percent reduction in beef output is expected during the second half of 1978.

The January 1 inventory of heifers on feed for slaughter was record large. Heifers designated as replacements for the beef cow herd were the fewest since 1966. Movement of heifers onto feed apparently is continuing to exceed year-earlier levels. A fourth year of declining cow numbers seems certain. The total cattle and calf inventory may be reduced another 3 million head in 1978.

Cattle slaughter in 1979 will be down again, perhaps as much as a tenth. This along with rising consumer demand would further increase retail Choice beef prices next year.
Eldon Ball, (202) 447-8143

LIVESTOCK PRICES STRONGER IN EARLY 1978



Hog Market Surprises All

Hog prices have held above \$40 per 100 pounds since last spring. The upswing in pork production that was underway in 1977 and thought likely to continue in 1978 was expected to put considerable downward pressure on hog prices last fall and in the winter. But prices held up since there has been little to no increase in pork production.

Hog farmers apparently are not responding to the combination of low feed prices and an uptrend in hog prices now underway for more than a year. The recent hogs and pigs report indicates that the number of hogs being readied for the spring market may be only 3 or 4 percent larger than last spring and that summer marketings may be up only slightly. And based on farmers' farrowing plans, hog slaughter next fall is expected to be only modestly above the year-earlier levels. Thus, pork production in 1978 will not come close to earlier expectations. For the entire year, pork production likely will be about 1 to 3 percent larger than in 1977.

Barrows and gilts are currently about \$47 per 100 pounds and likely will remain in the mid to upper \$40's during the rest of the year. Pork supplies will be up a little and large output of fed beef and broilers is expected this spring and summer. But non-fed beef production will be smaller. This plus rising consumer demand for meat likely will prolong the robust tone to the hog market, with hog prices in the upper \$40's this summer before edging lower next fall as supplies pick up seasonally.

U.S. HOG INVENTORY AND PIG CROP, 14 MAJOR STATES

	1977	1978	Change
	Thou. head		Pct.
Inventory-March 1:			
Kept for breeding	7,016	6,930	-1.2
Market	37,084	37,750	+1.8
Total	44,100	44,680	+1.3
Sows farrowing:			
Dec. ¹ -Feb.	2,304	2,285	-.8
Mar.-May	2,893	² 2,935	+1.5
Jun.-Aug.	2,716	² 2,675	-1.5
Pig crop:			
Dec. ¹ -Feb.	15,586	15,626	+.3
Mar.-May	21,386	—	—
Jun.-Aug.	19,625	—	—

¹ December of preceding year. ² Intentions.

Broiler Prices Benefit From Red Meat Price Performance

Broiler prices this year have been higher than earlier expected, responding to higher red meat prices. Wholesale broiler prices in nine cities are averaging slightly above the 40.9 cents a pound of January-March 1977. Continued strong red meat prices are expected to result in broiler prices averaging in the low to mid-40-cents-per-pound range this spring and summer.

Broiler meat output in the first 2 months of this year was around 9 percent above 1977's record. And profits in early 1978 should continue to spur production in coming months, although limited supplies of hatching eggs will slow the rate of increase this spring and summer.

Weekly chick placements were running as much as 10 percent above 1977 earlier this year, but dropped to only around 4-6 percent above in recent weeks. Thus, first quarter 1978 production will be 8 to 9 percent above January-March 1977, but April-June output may be up only around 5 to 7 percent.

The hatchery supply flock is expanding and will relieve some of the pressure on hatching egg supplies as the season progresses. And with only a small increase in pork supplies, the expansion in broiler output likely will continue 6 to 8 percent above a year earlier in the second half of 1978.

Turkey Prices Continue Ahead of Last Year

Turkey prices have declined from last fall's high levels, but are still well above a year earlier. January 1 cold storage stocks of turkey were the lowest since the early 1960's. This, combined with strong prices for competing meats, has helped hold turkey prices up. However, as turkey stocks increase, turkey prices will slip.

April Situation Report Schedule

Situation reports which will be released by USDA's World Food and Agricultural Outlook and Situation Board this month are:

Title	Off Press
Livestock and Meat	April 11
Ag. Supply and Demand	April 14
Ag. Supply and Demand	April 21

Single copies of the above reports may be obtained by writing to: ESCS Publications, Room 0054 South Building, USDA, Washington, D.C. 20250.

Turkey production in early 1978 is running well above 1977 and likely will continue higher throughout the year. Output in the first half of 1978 may be up a tenth, and excellent profit margins in recent months will lead to continued larger production in the second half. However, the percentage gains in output will narrow in the second half when the volume of marketings becomes much heavier.

Egg Prices Pulled Down by Larger Production

Egg prices this year have lagged a year earlier in light of larger production. Cartoned Grade A large eggs in New York will average around 61-62 cents a dozen, well below the unusually high 75 cents for January-March 1977. Prices are expected to decline seasonally this spring and may average 8 to 10 cents a dozen below the 58-cent average for April-June 1977.

Layer numbers apparently will continue above a year earlier this spring and summer but the increase over 1977 probably will shrink as fewer replacement pullets enter the flock. Output per hen will continue higher and egg production may be 2 to 4 percent above 1977 during the first half of 1978. A smaller gain is expected this summer, but output could be back to year-earlier levels by fall.

Egg prices are expected to strengthen seasonally in the second half but likely will not get back to year-earlier levels until the fourth quarter. Market prices for eggs likely will be below production and marketing costs this spring and summer. *William Cathcart, (202) 447-8801*

Dairy Price Support Raised

The April 1 adjustment to the support price for manufacturing grade milk (required by the Food Agriculture Act of 1977) will add 43 cents to the current level of \$9.00 per 100 pounds—and will keep 1978 farm milk prices above a year earlier. The new support price will be 81 percent of the estimated April 1 parity price. However, manufacturing grade milk prices aren't expected to move significantly above the support price until at least late summer.

With higher milk prices, milk-feed price relationships this year should encourage increased feeding of grain and other concentrates and substantial gains in output per

cow. As a result, first half gains probably will pull total 1978 milk output slightly above 1977—although there may be a considerable difference among regions.

Retail dairy prices probably will continue to rise during the first half of 1978, reflecting both the higher support price for milk and increased marketing costs. For all of 1978, retail dairy prices probably will average 4 to 6 percent above a year ago.

Commercial use of milk and dairy products could rise about 1 percent this year, mostly due to larger commercial use of cheese. Rising consumer income and higher expected retail meat prices bode well for a resumption of growth in cheese sales. Even with this expected growth in total commercial use, USDA purchases under the price support program will far exceed the levels of 1973-76, perhaps reaching the 1977 level. *James Miller, (202) 447-8915*

Soybean Supply Prospects Tighten on News of Brazilian Crop

News of sharp reductions in the 1978 Brazilian soybean crop have tightened the outlook for world soybean supplies.

In March, reports indicated that the 1978 Brazilian soybean crop, previously estimated at near 13 million metric tons, may be no more than 10 to 10½ million tons. Drought conditions in Brazil's soybean belt damaged the crop, which earlier was expected to climb a tenth above the previous record set in 1977. This year could see the first significant reduction in a Brazilian soybean crop since that country became a major producer a decade or so ago.

The reduction in the Brazilian crop estimate places renewed emphasis on U.S. soybean supplies. Even before the news, U.S. soybean disappearance was headed toward

new records. It now appears requirements may be even larger than previously anticipated.

Total 1977/78 U.S. soybean supplies, at a record 1.8 billion bushels, are nearly a fifth above the previous season. It seems likely total utilization will approximate 1.6 billion bushels, more than a tenth above 1976/77.

Domestic crushings are expected to be near 900 million bushels, up sharply from the 790 million of the previous year. Increasing livestock and poultry feeding, along with heavier feeding rates, are setting the pace for the record large crush.

Exports are estimated at 625 million bushels, around 60 million above last season, due to continuing heavy requirements for protein meal.

Despite its recent strength, disappearance will fall short of the large 1977 crop, resulting in some stock buildup. Ending stocks likely will be about double the 103-million-bushel carryover of September 1, 1977.

The tightening supply situation has resulted in a runup in prices. Soybean prices at Chicago rose from slightly under \$6 a bushel in early March to over \$7 late in the month.

Prices over the next few months will be influenced by any changes in the world supply/demand outlook for 1977/78 as well as the outlook for 1978 U.S. planted soybean acreage and production. *Stanley Gazelle, (202) 447-8444*

Some California Vegetables and Fruits Washed Out

Heavy rains in central California have disrupted planting and harvesting of several important winter vegetables. Lettuce, celery, carrot, and broccoli crops are all smaller than earlier expected, and in some cases their quality is down too.

The delay in lettuce plantings will leave a gap in mid-spring supplies. As a consequence, f.o.b. prices will probably hold above the usual price range of \$2.50 to \$5.00 a crate.

Grower prices for fresh vegetables during the first quarter of 1978 averaged substantially below a year earlier. Even though lettuce prices may rise sharply from moderate mid-March levels, liberal supplies of tomatoes and cabbage from Florida and a larger crop of Texas onions may be expected to hold down the index of grower prices during April-June. Second-quarter vegetable prices to growers probably will hold reasonably close to the first quarter average.

The spring potato crop in California's Kern County, where acreage is already off 17 percent from last year, may also show moderately lower yields. But record large U.S. storage stocks of old crop potatoes will provide generous supplies until early summer at least. *Charles Porter and Joseph Podany, (202) 447-8666*

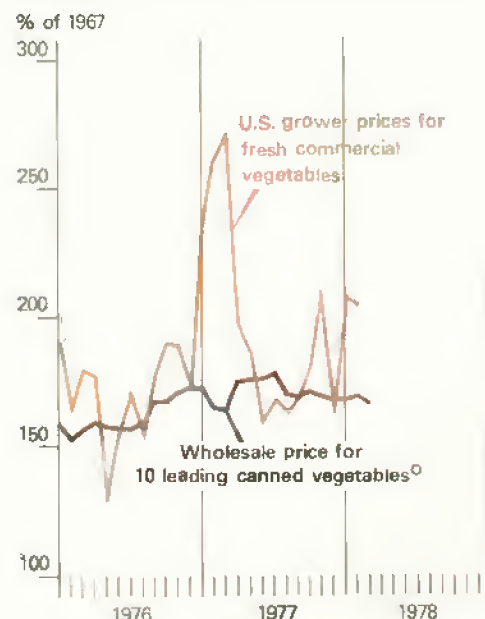
California anticipated a record large strawberry crop this year, but the heavy rains have reduced crop prospects slightly and created some harvesting and quality problems.

As a consequence, the California strawberry industry expects a later season, with possible higher retail prices in March and April. However, prices are expected to ease later as production peaks and as competition becomes keener from other growing areas.

California's citrus crops, particularly navel oranges, have suffered some quality deterioration. However, poor quality fruit will be utilized for processing. The Valencia crop, which is marketed later than the navel crop, has been relatively unaffected by the rains.

The heavy rains also have had no obvious detrimental effects on California's noncitrus fruits. In fact, after years of drought, the wet weather likely will bolster noncitrus yields. *Jules Powell, (202) 447-7133*

FRESH VEGETABLE PRICES UP SEASONALLY. BUT BELOW YEAR-AGO



Index developed by ESCS for snap beans, corn, peas, tomatoes, tomato juice, tomato catsup, beets, carrots, sauerkraut, and spinach.

SOYBEAN PRICES¹

	1976	1977	1978
	Dol. per bu.		
Jan.	4.65	7.08	5.65
Feb.	4.74	7.25	5.57
Mar.	4.66	8.33	² 6.44
Apr.	4.71	9.74	
May	5.21	9.50	
June	6.25	8.18	
July	6.64	6.29	
Aug.	6.30	5.66	
Sept.	6.59	5.21	
Oct.	6.23	5.05	
Nov.	6.58	5.77	
Dec.	6.86	5.87	

¹ No. 1 yellow at Chicago. ² Avg. through March 23.



Cattle Inventory To Rebuild As Returns Improve

by James Nix, Commodity Economics Division, Economics, Statistics, and Cooperatives Service

The liquidation phase of the current cattle cycle is winding down, and inventory rebuilding could begin next year. The reduced inventory will result in declining beef supplies and strengthening cattle prices over the next few years.

For cow-calf producers, the smaller herd and continued strong demand for beef mean a sustained recovery in returns after 3 or 4 years of losses due to low cattle prices and relatively high production costs.

Cattle prices have already begun to rise rather sharply and this should restore the economic incentive necessary to end the massive herd selloff which began in 1975. Cow-calf operations should see improved returns at least through the early 1980's.

However, the outlook for cattle feeders is mixed because they will be paying sharply higher prices for feeder cattle. Any increase in grain prices would also reduce cattle feeders' profits.

As beef production declines during the rebuilding phase, per capita consumption will also drop. And beef prices at the supermarket will be on the rise. Prices for hamburger and other lean beef cuts will probably

rise faster than those for Choice cuts such as steaks.

Inventory Liquidation Nearing End

The January 1978 inventory, at 116.3 million head, underlined the magnitude of the liquidation during the last 3 years. Cattle and calf numbers were 12 percent below the 1975 peak and beef cow numbers were down 15 percent.

Beef cow numbers likely will drop again in 1978, but the decline will probably be smaller than last year's. The number of heifers held for intended beef cow replacements at the beginning of this year was down 11 percent from last year. Also, cow slaughter during the first 3 months of this year has remained relatively large but below a year earlier.

Although further declines in cow slaughter are expected this year, the anticipated slaughter combined with fewer replacement heifers will cause this year's reduction in the beef cow herd.

The inventory of all cattle and calves will also slip again this year. Slaughter, exports, and death losses will exceed the calf crop and imports by a sufficient margin to yield a 2- to 3-percent decline in the total inventory, compared with over 5 percent during 1977.

Stronger cattle prices during 1978 should provide the economic incentive necessary to stop the downturn in the cattle inventory. The beef cow inventory and the total cattle inventory could be at the low point in this phase of the cycle during the next couple of years. Numbers will begin to rebuild in the early 1980's.

Inventory growth during the initial stages of the upturn is expected to be slow. While the number of intended herd replacement heifers may be adjusted quickly, they must be bred by April to calve this year. This does not suggest an upturn during 1978.

Beef Production and Consumption To Fall

Declining beef supplies over the next few years are likely, reflecting smaller calf crops. But beef production will also be limited as more heifers are held off the slaughter market to rebuild the herd and by reduced cow culling rates. Thus, beef production will likely decline at least through 1980, and output in 1981 may be little changed. Beef production this year may total around 24 billion pounds, down almost 1 billion pounds from 1977.

Slaughter of cows along with steers and heifers directly off grass will drop to much lower levels than during the past 4 years. If grain supplies remain ample and favorably priced for cattle feeding, fed beef will account for an increasing proportion of total beef production, at least through 1980.

In 1975, fed cattle slaughter accounted for about 52 percent of the total slaughter, but rose to 62 percent in 1977. The slaughter mix over the next several years will likely return to that of the 1972-73 period when fed cattle slaughter accounted for about 77 percent of total slaughter.

This suggests that the production of lean beef will drop sharply from the levels of the past few years. Beef imports are another aspect of the lean beef supply that must be considered.

Under provisions of the current meat import law, beef imports would also decline unless quotas are suspended. The law ties quotas to domestic production. Consequently, the decline in the quota would

become larger as U.S. production drops during the next 2 years. Quotas probably would not begin to rise before 1982.

With declining beef production and imports, per capita beef consumption would drop. In fact, per capita consumption will fall a little faster than production because of population growth. Beef consumption per person may drop into the 105 to 110 pound range in the 1979-81 period. At 110 pounds, consumption would be almost 20 pounds below that of 1976 but still near the 1965-75 average.

Prices To Rise

These lower beef supply expectations have significant price implications for both producers and consumers. Prices of both live cattle and retail beef have already begun to rise sharply.

Cattle prices should continue to rise and remain strong for several years. Choice steers may average in the mid- to upper-\$40's-per-cwt. range in 1978, compared with a 1977 average of about \$40. Returns to cow-calf producers should improve and economic health should be restored to this part of the industry.

However, even with higher cattle prices, cattle feeders have a tendency to bid feeder cattle prices high enough to leave little, if any, margin for profit. Grain supplies and prices will also have a significant impact on cattle feeders.

Consumers will continue to see beef being priced higher when they visit the supermarket. Prices for hamburger and other lean beef cuts will probably be rising faster than those for Choice cuts such as steaks. Increasing supplies of pork and broilers may temper beef price increases, particularly through 1979.

Although there are many uncertainties in the years ahead, a number of events could converge to push beef prices sharply higher, perhaps to new highs. If pork supplies are also down in the 1980-81 period, red meat consumption would drop substantially below current levels. Furthermore, rising incomes could keep the demand for meat strong. This would exert even more upward pressure on meat prices.



Recent Publications

Below is a list of selected USDA publications listed by subject area which may be of interest to our readers. To order reports, write directly to the issuing agency (indicated in parentheses after each report citation) at the address listed below. Be sure when ordering to list the publication number and provide your zipcode.

ESCS Reports:

The publication order form provided on the inside back cover shows the publication numbers for ESCS reports listed below. Simply circle those you would like to receive and mail to ESCS Publications, Room 0054 South Building, U.S. Department of Agriculture, Washington, D.C. 20250.

FAS Reports:

FAS Information, Room 5918 South Building, U.S. Department of Agriculture, Washington, D.C. 20250.

State Reports:

Publications issued by a State Crop and Livestock Reporting Service may be obtained by writing the address shown in parentheses. No copies are available from the U.S. Department of Agriculture.

New report listings, by subject matter:

Cotton

Barriers to Cotton Imports in Major Foreign Importing and Exporting Countries. FC 4-78 (FAS).

U.S. Cotton Exports Continued Higher in December. FC 6-78 (FAS).

Livestock and Meat

U.S. Customs Service Data on Meat Imports—January 1978. FLM MT 4-78 (FAS).

Nuts

Global Short Crop of Cashew Nuts Sends Prices to Record Levels in 1977. FN 2-78 (FAS).

Oilseeds and Products

Exports and Imports of U.S. Oilseeds Slip during December. FOP 3-78 (FAS).

Vegetables

U.S. Imports of Vegetable Fibers other than Cotton Down in 1977. FVF 1-78 (FAS).

Miscellaneous

System Theory Applications to Agricultural Modeling. A Proceedings. ESCS-07 (ESCS).

Utilization of Health Services in the Great Plains. AIB-414 (ESCS).

Developments in Marketing Spreads for Food Products in 1977. AER-398 (ESCS).

The Performance and Economic Feasibility of Solar Grain Drying Systems. AER-396 (ESCS).

Structure of the Feed Manufacturing Industry, 1975, A Statistical Summary. SB-596 (ESCS).

Gasohol From Grain—The Economic Issues. ESCS-11 (ESCS).

State Reports

Preliminary Grape Crush Report 1977 Crop. California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.

Final Grape Crush Report 1977 Crop. California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.



Spotlight on Weather

As the planting season gets underway, concern remains about delays in field preparation caused by wet soils and slow warming. The need for warm, dry weather is especially pronounced from the Plains eastward.

The extreme wetness in many areas contrasts sharply with the drought of last year. The only significant dry areas are the southwestern Great Plains and west Texas.

Although the precipitation outlook for coming weeks is uncertain, colder than normal weather should continue well into the spring in the Great Plains, South, and Southeast. New England, however, should turn warmer than normal, and much of the Southwest and California will continue warm. The odds are 3 to 2 that the forecast will prove correct based on 19 previous spring predictions.

Although the moisture situation and the temperature outlook suggest that some delays in planting are likely, there is an optimistic side. Reservoirs are in excellent shape and, if delays do not become extreme, soil moisture will be the best in several years.

Some Planting Delays Expected

If the Deep South experiences delays in planting cotton and rice, this could result in a larger soybean acreage. The major winter wheat areas have excellent moisture and are in good condition, pointing to good yields. The spring grains area of the Northern Plains has better than normal moisture, but some delays in planting may be expected.

Farmers in the Corn Belt are almost certain to have some problems. Based on climatological and forecast data, the odds are only about 1 in 5 that corn will be planted without delays and about 1 in 3 for soybeans.

March Weather Has Mixed Impact

Since last fall, frigid temperatures and frequent rains and snows have greatly hampered agriculture east of the Rockies. Farmers were kept from completing fieldwork in many areas. Supplemental feeding of livestock and hauling milk to market was a big problem in some northern States because of snow and ice. Livestock losses may be heavier than usual.

Field activities in early March were unseasonably slow in most eastern areas but were about 2 weeks ahead of normal in the West, except in parts of California and Arizona where heavy rains had caused some setbacks. Southern areas, particularly the Southeast, continued to lag.

In March, generally cool, wet conditions over the dry portions of the southwestern Great Plains allowed some buildup of soil moisture. Winter grains on the eastern Great Plains maintained their good to excellent condition. Dry conditions early in the month over the Northern Plains and western Corn Belt generally minimized flooding from the snowmelt. However, beginning in mid-March, warm temperatures in the western Corn Belt accelerated the melt and caused some serious flooding, particularly in the bottomlands of Nebraska. A major storm the third week of March dropped 1 to 4 inches of precipitation over most of the southern Corn Belt.

Cool, wet conditions over the Southeast further delayed field preparations since much of the area already had saturated soils. Planting and crop development in extreme southern areas may continue to lag behind schedule, but western areas—barring parts of California and Arizona—may remain ahead. *Richard E. Felch, (202) 447-3308 and Donald J. Haddock, (202) 447-7917*



Transportation

Harsh weather seriously impeded the efficiency of grain railcar shipments from interior points during the winter. Turnaround time of railroad equipment has increased sharply as has the backlog of shippers' orders for covered hopper cars and boxcars.

February railcar loadings of grain averaged 21,700 per week, slightly above January, but 13 percent below a year ago. In early March, a daily average shortage of 26,679 covered hopper cars was reported. The previous peak shortage level of 16,600 occurred in 1973 when covered hopper car shortages occurred throughout the year.

Competition for railcar equipment for fertilizer shipments to meet spring planting needs could further prolong the railcar shortage.

To increase the number of grain cars available to small elevators and shippers, the Interstate Commerce Commission (ICC) issued a service order permitting the use of only 20 percent of railroad-owned jumbo hopper cars in unit-train grain service. Jumbo hopper cars hold around 3,300

bushels of grain versus 2,000 bushels for boxcars.

After completion of the required number of trips to qualify for unit-train rates, all jumbo covered hopper cars must be returned to the origin carrier for distribution to small and medium size elevators in the Central States. The order is in effect from March 1 through April 30, 1978.

Two additional orders were also issued by the ICC to curtail excessive delay and speed up movement of freight cars. The first reduced the minimum tonnage required on multi-car tariffs from 1,000 tons to 270 tons. Thus, railroads will be required to furnish only three covered hopper cars to comply with the tariff, instead of 11.

The second order requires railroads to dispatch all loaded freight cars into service within 24 hours of arrival in the rail yard. Both orders expire May 31, unless changed by the ICC.

Barge shipments of grain this winter were also disrupted by low water and extremely icy conditions. Average weekly barge shipments of grain declined from 25.6 million bushels in January to 19.5 million during February. However, barge shipments early this year were still up around a fourth from a year ago when severe icing restricted river traffic in the Midwest.

Traffic on the upper Mississippi this winter was closed as far south as the mouth of the Illinois River. Usually open in early March, Illinois river traffic was hampered by the inclement weather. Though the spring weather has improved river conditions, a huge backlog of grain shipments exists which will take several weeks to clear up.

To further complicate matters, the Gulf ports lost 10 percent of their grain-handling capacity to elevator explosions. In addition, rainy weather has prevented loading ships with grain. The end result has been a tieup of ocean vessels and intermittent rail embargoes at various port facilities.

Rail Rates Stable, Ocean Freight Rates Up Slightly

Rail freight rates for shipping farm products have remained relatively stable thus far in 1978 after posting a 5-percent general increase last December. Presently, rates for farm products are running 5.3 percent above year-earlier levels, compared with a 4.9 percent rise for total railroad freight.

Eastern and western railroads have petitioned the ICC for a 4-percent general rate increase while southern railroads have asked for an increase of 2 percent. The rate increase would be effective in late June or early July if the ICC approves.

January-February ocean freight rates for heavy grain (including corn, wheat and soybeans) increased slightly over those reported in the fourth quarter of 1977, and were somewhat higher than year-earlier levels. However, overall carrying capacity of the world merchant fleet appears ample to meet current demand.

Large Vegetable Harvest May Cause Truck Shortages

In recent years, Southern States—particularly Florida and Texas—have experienced persistent shortages of truck equipment needed to transport fresh fruits and vegetables during peak harvest seasons.

In Florida, fruit and vegetable shipments extend from September to July with peak periods in April and May. Substantial supplies of major fresh market vegetables and grapefruit are expected this spring, and the supply of trucks could tighten to the point where spot shortages may occur.

Florida has become increasingly dependent on trucks to transport fresh fruits and vegetables. In 1977, trucks accounted for 92 percent of all fresh market fruit and vegetable shipments out of the State, up from 90 percent in 1975. Nationally, trucks accounted for 88 percent of last year's total fresh market fruit and vegetable shipments, versus 79 percent in 1975. *Floyd D. Gaibler, (202) 447-6363*

USDA To Fund Demonstration Project on Rural Transportation

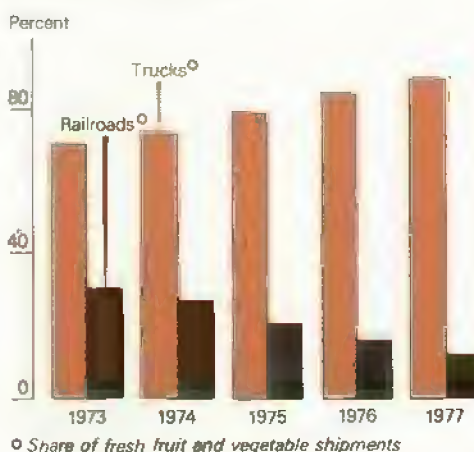
Techniques for planning a viable rail and highway network for a rural area facing possible abandonment of railroad lines will be the focus of a project being funded by the U.S. Department of Agriculture.

The project, which will be carried out by Oklahoma State University, will establish the potential impact of rail abandonment in the selected area and study the availability and condition of local farm-to-market roads as possible alternatives to moving agricultural freight. Later, project team leaders will determine what is needed to restore the rail lines, roads, or both, to meet area transport needs.

In announcing the grant, Secretary of Agriculture Bob Bergland said the techniques developed in the demonstration will be useful not only to Oklahoma, but to other States as well, in efforts to identify rural transportation needs.

Under the Railroad Revitalization and Regulatory Reform Act of 1976, State governments are responsible for determining what rail lines are essential for the public interest. Currently, many State Departments of Transportation are preparing rail plans covering branch lines and alternative transport facilities.

TRUCKS HAULING LARGER SHARE OF FRESH PRODUCE





Policy

After Congressional hearings on the agricultural situation in February and March, the Senate cleared a bill March 21 containing increased target prices, loan levels, and set-aside.

The bill, which was introduced by Senate Agriculture Committee Chairman Herman Talmadge (D-Ga.), would encourage higher market prices by further reducing the planting and production of 1978 crops of wheat, corn, sorghum, barley, cotton, and soybeans. Producers would be paid to set aside at least 31 million acres more than the 15 million currently estimated for wheat and feed grain programs. However, to meet the price objectives in the bill could require set-aside acreage beyond the additional 31 million acres.

According to a statement issued by Senator Talmadge, the objective of the additional land diversion would be to reduce supplies sufficiently to attain season average prices of \$2.50 per bushel for corn, \$3.50 for wheat, \$6.00 for soybeans, and 60 cents a pound for upland cotton.

The land diversion program would be voluntary, but for wheat and feed grain participants, compliance with the existing set-aside programs would be required for the additional set-aside.

The Senate approved several amendments to the Talmadge bill during floor action. One by Senator George McGovern (D-S.D.) would raise target prices and loan levels from those in the 1977 Farm Act.

Another by Senator Robert Dole (R-Ks.) added a "flexible parity" concept as an

amendment to the Talmadge bill. Under the "flexible parity" alternative, farmers could increase their target prices for wheat, feed grains, and cotton to full parity levels by voluntarily diverting acreage up to 50 percent of set-aside levels.

In the House of Representatives, Thomas Foley (D-Wash.), Chairman of the House Agriculture Committee, has introduced a 4-year farm bill that would raise 1978 target prices and loan levels for wheat, feed grains, and cotton and would pay farmers for diverting cropland beyond that specified in the existing wheat and feed grain set-aside.

His proposal would require an unpaid 10-percent set-aside for cotton program benefits, and would provide a 10-percent paid land diversion for wheat, feed grains, cotton, and soybeans in addition to the existing unpaid set-aside requirements for wheat and feed grains.

House and Senate Conferees were scheduled to meet April 3, after the Easter¹ recess, to draft a bill for Congressional consideration.

PRICE SUPPORTS: 1977 ACT AND ALTERNATIVES

	1977 Act ¹	Tal- madge Bill	Dole Amend- ment	Foley Bill
	Dollars			
Target prices:				
Corn (\$ per bu.) .	2.10	2.50	2.10-3.45	2.40
Wheat (\$ per bu.) .	3.05	3.55	3.00-5.04	3.50
Cotton (cts. per lb.)	52.0	70.0	54.0-84.0	60.0
Loan levels:				
Corn (\$ per bu.) .	2.00	2.25	2.40	2.10
Wheat (\$ per bu.) .	2.25	2.85	2.85	2.50
Soybeans (\$ per bu.) .	—	—	—	—
Cotton (cts. per lb.)	44.0	50.0	50.0	46.0

¹ Food and Agriculture Act of 1977.

Reserve Program Provisions

Wheat, corn, barley, sorghum, or oat farmers can join in the producer-held reserve program by first getting a Commodity Credit Corporation (CCC) price support loan on one or more of their eligible crops. Once under loan, the crop can be transferred to the reserve upon maturity of the loan or when the Secretary allows "early entry."

The final date for transferring 1976-crop wheat, barley, and oats under loan into the producer-held reserve was February 28, 1978; 1976-crop corn and sorghum can be transferred to the reserve through April 30, 1978.

As of March 1, last season's wheat, barley, and oat crops under loan could be put in the reserve immediately without waiting for the CCC loans to mature. The final date for obtaining CCC loans on these 1977 crops was March 31, 1978. Loans on 1977 corn and sorghum crops are available through May 31.

CCC will make annual storage payments in advance to producers. Effective February 8, these rates were raised from 20 to 25 cents a bushel for wheat, corn, sorghum, and barley, and from 15 to 19 cents for oats.

The reserve agreement extends the original loan for 3 years. The farmer can redeem his loan without penalty when the national average market price reaches 125 percent of the average loan rate at that time for feed grains, or 140 percent of the average loan rate for wheat.

When the market price reaches the "call" level—140 percent of the loan rate for feed grains or 175 percent for wheat—the farmer must redeem within 30 days or forfeit the grain to the CCC at the original loan rate. Producers retain control of their grain and decide when to sell, since repayment of the loan does not require that the grain be sold.

CCC-Owned Stocks Not To Interfere With Producer Program

The 1977 Farm Act stipulates that CCC-owned stocks of wheat and feed grains cannot be sold at less than 150 percent of the current loans when the producer-held reserve is in effect. However, the Administration has indicated that CCC-owned grain will not be sold unless prices exceed the "call" levels.

Producer-Held Reserve Growing

Raising the Government's annual storage payment for wheat and feed grains has apparently encouraged participation in the producer-held reserve program. Increased storage payments, effective February 8, plus the February 28 deadline for committing

the 1976 wheat, barley, and oat crop, may have influenced producers' decisions to put more of those grains in the reserve. March 1 eligibility of the 1977 wheat, barley, and oat crop undoubtedly contributed to the reserve's expansion.

During that week ending March 3, farmers added more than 50 million bushels of wheat to the reserve, the largest weekly volume since the program began last April. A more recent survey of wheat, barley, and oats loan activity shows over 250 million bushels of wheat had been approved for the reserve as of March 27. Continued placements of 1977-crop wheat into the reserve could achieve the 330 million bushel goal by the May 31 target date.

Corn and sorghum producers may add their remaining 1976 crops under loan to the reserve until April 30 and obtain loans on their 1977 crops through May 31. However, they cannot place their 1977 crops in the reserve until the loan matures or the Secretary permits "early entry," whichever occurs first.

As of March 27, almost 30 million bushels of feed grains had entered the reserve. By the end of February, more than 1 billion bushels of 1977 corn and sorghum—qualifying for the reserve when the loans mature or when the Secretary permits "early entry"—were under loan. In the absence of further redemptions, more than 600 million bushels would become eligible for the reserve through loans maturing on or before September 30, the target date for completion of the 670-million-bushel feed grain reserve.

Additional feed grain loans obtained during March, April, and May will increase the quantities of grain that would be available for the reserve when the loans mature after September 30, or when the Secretary announces "early entry" before that date. Corn and sorghum loans maturing by September 1 would provide only a fourth of the October 1 goal. Consequently, the

majority of the feed grain reserve could only be accumulated on or after September 30, or subsequent to "early entry."

International Emergency Food Reserve Set Up

A Government-owned reserve to be used for food emergencies in foreign countries is also underway. The emergency food reserve—targeted at 220 million bushels of wheat by May 31—had grown to 46 million bushels through CCC loan forfeitures by March 22.

Attaining both the 330 million bushel producer-held reserve and the 220-million-bushel emergency reserve by May 31 could mean farm wheat prices much stronger than without these programs. *Cecil Davison, (202) 447-8840*

Farm Policy Initiatives Announced

On March 29, the Administration announced further farm policy initiatives that will be taken under existing legislation to help strengthen farm income. These initiatives include:

- The 35-million-ton ceiling on the farmer-held wheat and feed grain reserve is removed. Also, interest charges on loans after a commodity has been in the reserve for 1 year will be waived.

- Producers who participate in the feed grain set-aside will receive payments for diverting an additional 10 percent of their planted acreage.

- Producers participating in the wheat set-aside can obtain payments for grazing out wheat or harvesting hay on a specified share of their planted acreage. The payment will be either 50 cents a bushel or the deficiency payment, whichever would be higher, on normal production from up to 40 percent of planted acreage or 50 acres, whichever is larger.

- The loan rate on 1978-crop soybeans is \$4.50 a bushel, up from \$3.50 for 1977-crop beans.

- Cotton producers who set-aside up to 10 percent of their planted acreage can receive a payment of 2 cents a pound based on normal production.

- The preliminary announcement on 1978-crop rice set the loan rate at \$6.40 per cwt. and the target price at \$8.53 per cwt. with no set-aside.

- Wheat will be purchased to fill the 220-million-bushel (6-million ton) International Emergency Wheat Reserve.

USDA's Economic Research Service issues a variety of periodic reports that analyze the economic situation of U.S. agriculture. These reports are free on request unless otherwise noted and mailing lists are maintained.

If you are interested in receiving any of these reports, you may first want to write for a sample copy. If you find the report contains information you need, you can then ask to be put on the mailing list.

Address all inquiries to Publications Unit, ERS-Information, Room 0054, South Building, U.S. Department of Agriculture, Washington, D.C. 20250.

Situation and outlook reports issued by ERS are listed below together with brief descriptions of their contents. *Cotton and Wool, Dairy, Fats and Oils, Feed, Fruit, Livestock and Meat, Poultry and Egg, Rice, Sugar and Sweetener, Tobacco, Vegetable, and Wheat*. These commodity reports analyze supply and demand, prices, and outlook for major farm commodities. They include tables and charts presenting current data on production, market movement, stocks, consumption, prices, and foreign trade. Relevant special studies frequently are included. Individual reports generally are issued 4 to 6 times a year.

Fertilizer Situation, published at the end of each year. Examines potential fertilizer demand and estimated capacity to produce basic fertilizer materials in the year ahead, analyzes U.S. fertilizer use in the year just concluding Reviews foreign trade in fertilizer and basic fertilizer materials and discusses economic aspects of foreign trade.

Features historical economic and fertilizer use statistics. Special reports about production, consumption, and distribution of fertilizer prepared for each issue.

Supply-Demand Estimates, a tabular series, updates USDA forecasts of the supply-demand balance for major farm commodities. Assessments by an interagency board of USDA experts are released, with a brief commentary, after 3 p.m. on the day following the issuance of major crop production, grain stocks, or planting intentions reports by the Statistical Reporting Service.

Supply-demand reports present statistics, by crop, covering the balance of supply (production, stocks, imports) for the current marketing season. May indicate the supply-demand balance for one season ahead.

CORN AND SORGHUM RESERVE POTENTIAL AS OF FEBRUARY 28, 1978

Amounts under loan that mature at end of:	1977 crop	
	Corn	Sorghum
	Million bushels	
June	2	8
July	17	21
August	86	40
September	389	66
October	380	43
November	45	5
Total	919	183



World Agriculture and Trade

The current round of trade negotiations in Geneva is broader in scope than any previous round of trade talks conducted under the General Agreement on Tariffs and Trade (GATT). Significant progress has been made in some key areas in recent months. However, a number of setbacks have also been encountered.

Geneva Tariff Negotiations Nearing End

The Multinational Trade Negotiations (MTN) underway in Geneva have picked up considerable momentum in recent months—and participants plan to conclude negotiations this year.

The United States made its initial offer on tariff and nontariff measures in January. The U.S. tariff offer represented a weighted average cut of 45 percent in overall Most-Favored-Nation duty rates from an average of 8 to 4.5 percent. In total, rate reductions would affect commodities with an estimated trade value of roughly \$45 billion in 1976 including some \$3 billion worth of agricultural products. The U.S. offer is conditional upon receiving reciprocal concessions.

After bogging down several times since 1976, the participants agreed last September

on a working hypothesis based on a Swiss formula providing for an overall tariff cut in the area of 40 percent together with tariff harmonization.

In fact, the MTN has already borne fruit for the United States in the form of a trade agreement signed with Mexico under the specialized tropical products part of the MTN. This agreement provides for most-favored-nation tariff bindings and liberalized restrictions on U.S. agricultural exports to Mexico valued at about \$37 million (based on 1976 trade). It also calls for import duty reductions on agricultural imports from Mexico valued at about \$51 million. Both the United States and Mexico will continue negotiations on further tariffs and nontariff concessions in the MTN.

Stockpiling To Start Soon Under Sugar Agreement

Accumulation of the special stocks under the new International Sugar Agreement (ISA) should begin in the second half of the year. The United States signed this agreement last December, although Congress has yet to ratify it.

The ISA calls for accumulation of at least 40 percent of the stocks which are to total 2.5 million tons during the first year, 80 percent by the end of the second year, and 100 percent by the end of the third year. At this rate, 1 million metric tons of sugar will be held from export markets during 1978.

Under the ISA, these special stocks are to be released in equal amounts when prices reach 19, 20, and 21 cents, respectively. The cost of holding the stocks is to be shared among the importing and exporting members through a stock financing charge levied on sugar moving in world trade.

Export quotas, implemented when prices fall to 14 cents and suspended when they rise to 15 cents a pound, will also be utilized to stabilize sugar prices within the ISA price range of 11-21 cents.

The aim of the Administration's sugar loan program is to support the price of sugar cane and sugar beets at a minimum of 13.5 cents a pound (raw sugar equivalent) to U.S. growers—a figure equivalent to the world pact's 11-cent floor, when transport and normal import duties are taken into account.

If world prices rise to approximately 11 cents by the time the loans are repayable, the Government may not have to take over any sugar from borrowers forfeiting their collateral.

U.S. sugar imports—at a record high of 6.4 million metric tons in calendar 1977—should be lower this year because of higher

duties and fees, and carryover of large stocks. The President recently upped the duty to its maximum—2.81 cents a pound—and set a fixed fee of 2.7 cents per pound for raw sugar.

U.S. Attends Coffee, Cocoa Meetings

As a member of the International Coffee Agreement (ICA), the United States recently attended the International Coffee Organization meeting which reviewed the feasibility of establishing a reserve stock arrangement, within the ICA, to stabilize prices. In discussing the various possible stock arrangement, there was no U.S. commitment to such a scheme.

Although the United States is not a member of the existing International Cocoa Agreement, it has urged renegotiation of the Agreement—and such renegotiations are expected to commence later this year. Producers can be expected to push for a higher minimum price, arguing that this would encourage more production.

Many cocoa consuming nations are bothered by the nature of the existing agreement, which calls for both export quotas and buffer-stock purchases if the market price falls to the support range. The economic provisions of both the coffee and cocoa agreements have yet to function because world market prices have continuously exceeded the trigger prices set by the agreements.

1971 Wheat Agreement Extended Another Year

Wheat talks held under United Nations Conference on Trade and Development (UNCTD) in Geneva recessed in late March after 6 weeks of discussions. Large differences remained among participants regarding elements of a possible new Wheat Trade Conventions to replace that in the International Wheat Agreement of 1971. The present agreement's Wheat Trade and Food Aid Conventions, which were to expire June 30, 1978, will thus be extended through June 30, 1979.

Regarding a possible wheat trade conventions, the major areas of disagreement remain the role of prices, and the size and allocation of world wheat reserve stocks. There was general agreement that the purpose of such reserve stock actions should be to stabilize world wheat prices and improve world food security.

On food aid there was wide support for

total food aid commitments of at least 10 million metric tons annually (compared to 4.2 million tons in the 1971 agreement). However, beyond the United States' offer to increase its annual contribution from the present 1.89 million tons to 4.47 million annually, and Canada's offer to increase its contribution from the present 495,000 tons to 750,000 tons, increased donations to meet the 10-million-ton target have not been announced.

Whether a possible new agreement should include coarse grains was also a major issue at the conference. The European Community strongly supported a coarse grains arrangement with economic provisions similar to those it supported for wheat, that is, minimum/maximum prices and reserve stocks, with supply assurances by exporters.

Argentina—one of the world's major exporters—proposed a coarse grain agreement to monitor markets without substantive economic provisions.

Further discussions on an agreement to replace the International Wheat Agreement of 1971, as extended, will take place during spring and summer in an interim committee open to interested countries. Interim meetings are planned during spring and summer and a second negotiating conference may be convened in September. *W. Scott Steele (202) 447-8228 and Barbara S. Blair (202) 447-7590*

Brazil's Agricultural Outlook Dims

The prolonged drought which has dimmed the outlook for Brazil's 1978 soybean crop (see Commodity section) is also curtailing production of other crop and livestock products. As a result, final output will probably come in well below the exceptional production in 1977.

BRAZIL'S AGRICULTURAL EXPORTS

	1975	1976	1977
Soybeans and products .	1,303	1,756	2,100
Sugar	1,100	306	462
Coffee	934	2,398	2,642
Cocoa and Products . .	281	289	532
Corn	151	165	136
Tobacco	142	161	186
Orange juice (frozen concentrate)	82	101	177
Beef	79	130	159
Other	770	746	1,406
Total	4,842	6,052	7,800

U.S. AGRICULTURAL TRADE WITH BRAZIL

	U.S. farm imports from Brazil		U.S. farm exports to Brazil
	Total	Coffee	Total
	\$ Mil.		
1972	660	446	68
1973	710	468	271
1974	1,031	420	240
1975	772	525	323
1976	966	623	265
1977	1,385	1,050	111
1978	n.a.	n.a.	¹ 400

¹ Estimated. n.a. not available.

Brazil's agricultural exports, which approached \$8 billion and challenged those of France (\$9.5 billion) for the No. 2 position in world trade, will undoubtedly drop. The prospective drop in Brazil's agricultural production will have a significant impact on U.S. agricultural sector since the country is both a major competitor and a market for U.S. farm products. In 1977 we purchased \$1,385 million worth of farm products from Brazil, while we sold then \$111 million. However, prospective exports of \$400 million are in sight for 1978.

Dry weather during the crucial growing months of December-February has parched the major commercial producing region, cutting domestic and export supplies of corn and rice as well as soybeans. The coffee harvest, however, will be larger than that of 1977 because coffee is less subject to drought damage.

The drought is expected to cut the 1978 corn harvest to 16 million metric tons, down from the record 18.8 million tons in 1977 to 16 million. Corn exports, which amounted to 1.4 million tons valued at \$136 million in 1977, will probably be wiped out this year. As a result Brazilian government has authorized imports of 1 million tons of corn in 1978.

The rice harvest also may be off substantially from the 8 million tons of 1977.

Although irrigated rice is unharmed, upland rice harvests may be down 25 percent.

Brazil's wheat import needs in 1978 will

be much greater than in 1977. Production harvested in November 1977 totalled only about 2 million tons, while 1978 consumption needs are estimated at 6.5 million. The prospect is that a large part of the 4.5-million-ton deficit will be imported from the United States. Competition from our major competitors for this market will be down in 1978 because Argentina has a poor harvest and Canada has already committed or sold most of its wheat available for export.

Samuel O. Ruff, (202) 447-8133

Foreign Agriculture Circulars

USDA's Foreign Agricultural Service issues a number of Foreign Agriculture Circulars at irregular intervals during the year on various commodities and export services for the food and agricultural trade. These circulars are distributed without cost to U.S. residents. If you wish to be placed on the mailing list for any of these reports, you should write to: Foreign Agricultural Service, Information Division, Information Services Staff, Room 5918 South, U.S. Department of Agriculture, Washington, D.C. 20250.

Titles

Oilseeds and Products
Grains other than rice
Livestock and Meat
Cotton
Coffee
Dried Pulses
Processed Fruits
Fresh and Processed Citrus Fruits
Cocoa
Dairy
Fresh Deciduous Fruits and Grapes
Dried Fruits
Hops
Tree Nuts
Poultry and Eggs
Rice
Seeds, Field, and Vegetable
Sugar
Tea and Spices
Tobacco
Vegetable Fibers
Wool
Honey
Fresh and Processed Vegetables
Table Olives
Strawberries and Other Berries
Tropical Fruits

Statistical Indicators

Farm Income

Gross and net farm income¹

	Annual			1975			1976				1977 ²			
	1975	1976	1977	II	III	IV	I	II	III	IV	I	II	III	IV
	\$ Bil.													
Cash receipts from farm marketings	88.1	94.3	95.0	89.5	94.1	89.0	93.0	100.4	91.5	92.4	96.7	97.1	90.4	95.9
Livestock and products	43.0	46.4	47.4	43.1	45.3	46.7	46.3	48.3	45.5	45.4	46.2	46.8	47.8	48.9
Crops	45.1	47.9	47.6	46.4	48.8	42.3	46.7	52.1	46.0	47.0	50.5	50.3	42.6	47.0
Nonmoney and other farm income ³	8.6	9.3	11.1	8.4	9.2	9.1	9.1	9.2	9.4	9.5	9.8	10.1	10.4	14.1
Realized gross farm income	96.7	103.6	106.1	97.9	103.4	98.1	102.1	109.6	100.9	101.9	106.5	107.2	100.8	110.0
Farm production expenses	75.9	81.7	85.7	75.7	78.8	76.7	79.1	84.2	82.3	81.2	84.5	86.5	83.3	88.5
Farmers' realized net income	20.8	21.9	20.4	22.2	24.6	21.4	23.0	25.4	18.6	20.7	22.0	20.7	17.5	21.5
Net change in farm inventories	3.5	-1.9	.9	1.5	2.9	5.5	-1.5	-2.2	-1.0	-2.7	-.5	.5	0	3.5
Farmers' total net income														
Current prices	24.3	20.0	21.3	23.7	27.5	26.9	21.5	23.2	17.6	18.0	21.5	21.2	17.5	25.0
1967 prices ⁴	14.6	11.4	11.3	14.5	16.3	15.7	12.5	13.3	9.9	10.0	11.7	11.3	9.2	13.0

¹ Quarterly data are seasonally adjusted at annual rates. ² Data for 1977 has been updated based on more complete information. These preliminary estimates are subject to revision in July 1978. ³ Includes government payments to farmers, value of farm products consumed in farm households, rental value of farm dwellings, and income from recreation, machine hire, and custom work. ⁴ Deflated by the index of prices paid by farmers for family living items on a 1967 base. In 1977 movement is based on the overall change in the consumer price index.

Cash receipts from farming

	Annual			1977						1978
	1975	1976	1977	Jan	Aug	Sept	Oct	Nov	Dec	Jan
	\$ Mil.									
Farm marketings and CCC loans ¹	88,077	94,326	95,025	7,950	7,603	8,304	10,968	10,469	8,853	8,807
Livestock and products	43,024	46,389	47,453	3,615	4,013	4,068	4,453	4,113	4,128	3,930
Meat animals	25,818	27,188	27,909	2,064	2,331	2,420	2,812	2,528	2,480	2,336
Dairy products	9,909	11,425	11,782	943	995	972	979	959	1,007	1,008
Poultry and eggs	6,791	7,192	7,207	565	641	634	619	587	584	543
Other	506	584	555	43	46	42	43	39	57	43
Crops	45,053	47,937	47,572	4,336	3,590	4,236	6,515	6,356	4,725	4,877
Food grains	7,763	6,799	5,886	475	821	694	557	240	224	345
Feed crops	12,153	13,475	12,257	1,305	815	802	1,411	1,909	1,266	1,571
Cotton (lint and seed)	2,311	3,552	3,961	455	137	196	654	861	1,055	602
Tobacco	2,155	2,270	2,331	212	464	424	286	360	284	227
Oil-bearing crops	7,278	8,855	9,197	1,075	188	567	1,950	1,452	659	1,232
Vegetables and melons	5,330	5,281	5,528	329	575	782	751	372	285	320
Fruits and tree nuts	3,531	3,500	4,271	202	331	415	504	552	483	300
Other	4,532	4,205	4,141	283	269	356	402	610	469	280
Government Payments	807	734	1,864	103	48	88	86	104	1,030	362
Total cash receipts ²	88,884	95,060	96,889	8,053	7,651	8,392	11,054	10,573	9,883	9,162

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Farm marketing indexes (physical volume)

	Annual			1977						1978
	1975	1976	1977	Jan	Aug	Sept	Oct	Nov	Dec	Jan
	1967=100									
All commodities	113	121	124	121	124	131	176	169	139	133
Livestock and products	106	111	113	107	113	115	129	120	116	106
Crops	124	134	141	141	138	153	243	238	172	172

Cash receipts¹ from farm marketings, by States, January

	Livestock and Products		Crops ²		Total ²	
	1977	1978	1977	1978	1977	1978
	\$ Mil. ³					
NORTH ATLANTIC						
Maine	23.5	20.4	18.1	12.6	41.6	33.1
New Hampshire	4.9	5.0	1.7	1.6	6.6	6.6
Vermont	19.2	20.8	1.2	2.6	20.4	23.4
Massachusetts	10.5	9.6	15.4	13.8	25.9	23.4
Rhode Island	1.1	1.2	1.1	1.0	2.2	2.2
Connecticut	12.7	11.5	35.6	26.6	48.3	38.1
New York	98.4	102.8	39.3	36.7	137.7	139.5
New Jersey	9.3	8.8	9.5	10.5	18.8	19.3
Pennsylvania	107.5	110.8	50.3	49.0	157.7	159.8
NORTH CENTRAL						
Ohio	93.2	98.0	138.4	125.0	231.6	223.0
Indiana	97.0	108.9	241.9	215.0	338.9	323.9
Illinois	143.0	156.7	519.9	605.2	662.9	761.9
Michigan	69.5	73.4	64.2	84.8	133.7	158.2
Wisconsin	200.4	217.0	29.7	71.4	230.1	288.4
Minnesota	173.6	188.8	128.0	223.9	301.6	412.7
Iowa	304.1	346.4	369.2	420.5	673.4	766.9
Missouri	109.9	120.0	86.4	138.4	196.3	258.4
North Dakota	41.2	45.5	95.0	59.3	136.2	104.9
South Dakota	124.7	137.9	22.1	68.7	146.8	206.6
Nebraska	167.6	189.5	168.8	273.0	336.4	462.5
Kansas	149.8	172.5	124.7	161.3	274.5	333.8
SOUTHERN						
Delaware	14.4	15.6	4.6	4.5	19.1	20.1
Maryland	34.9	37.7	11.1	8.4	46.1	46.2
Virginia	41.9	44.2	24.2	23.4	66.1	67.6
West Virginia	7.0	7.2	4.9	4.3	11.9	11.5
North Carolina	85.0	90.9	45.3	45.2	130.3	136.1
South Carolina	23.7	24.9	30.8	32.5	54.5	57.3
Georgia	98.9	104.0	49.8	31.5	148.7	135.5
Florida	57.7	56.7	213.0	276.6	270.7	333.3
Kentucky	53.9	57.2	186.3	172.5	240.2	229.7
Tennessee	64.9	67.9	54.6	56.5	119.6	124.3
Alabama	84.2	90.1	43.9	33.8	128.2	123.9
Mississippi	52.2	54.2	97.0	100.9	149.2	155.1
Arkansas	80.5	82.8	104.9	138.0	185.4	220.8
Louisiana	35.1	36.6	94.3	84.4	129.4	121.0
Oklahoma	104.2	120.7	55.8	58.5	160.0	179.2
Texas	251.7	280.4	398.9	466.1	650.6	746.5
WESTERN						
Montana	27.3	29.1	58.7	40.7	86.0	69.8
Idaho	35.1	40.4	54.4	54.3	89.5	94.6
Wyoming	12.0	12.7	6.0	5.1	18.1	17.7
Colorado	85.8	95.1	41.0	45.9	126.8	140.9
New Mexico	24.0	26.1	15.7	13.3	39.7	39.4
Arizona	42.6	46.1	82.1	79.3	124.7	125.4
Utah	19.5	22.5	7.7	6.0	27.2	28.5
Nevada	9.0	10.4	5.3	5.7	14.3	16.0
Washington	41.9	46.0	76.4	81.1	118.2	127.0
Oregon	28.7	32.3	44.4	37.8	73.1	70.0
California	231.9	247.1	341.1	347.5	573.0	594.6
Alaska3	.3	.2	.2	.5	.5
Hawaii	5.4	5.4	22.0	22.0	27.4	27.4
UNITED STATES						
Grand Total	3,615.1	3,930.1	4,335.1	4,876.8	7,950.1	8,806.9

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. ³ Rounded data may not add.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Febp
1967=100										
Prices Received										
All farm products	185	186	183	186	174	178	179	181	186	192
All crops	201	197	193	202	171	178	185	183	188	188
Food grains	242	201	156	163	149	160	173	176	178	184
Feed grains and hay	230	218	182	208	147	152	167	172	176	176
Feed grains	232	214	174	201	138	145	162	167	172	171
Cotton	183	265	270	284	263	236	228	213	213	217
Tobacco	162	164	176	172	194	177	185	183	185	184
Oil-bearing crops	197	205	243	252	188	193	202	204	207	197
Fruit	138	132	161	122	176	222	195	185	187	195
Fresh market ¹	137	131	160	113	179	234	202	190	186	202
Commercial vegetables	162	161	179	220	159	168	186	155	187	185
Fresh market	173	173	198	260	168	183	210	163	207	204
Potatoes ²	214	201	199	177	171	177	187	184	184	187
Livestock and products	172	177	175	174	177	177	174	180	185	196
Meat animals	169	170	168	163	170	171	165	174	183	197
Dairy products	175	192	193	190	199	203	203	205	203	203
Poultry and eggs	179	178	174	192	173	163	165	167	166	179
Prices Paid										
Commodities and services,										
interest, taxes, and wage rates	180	191	202	200	201	201	202	203	209	211
Production items	182	193	200	199	197	198	199	199	203	206
Feed	187	191	186	200	164	164	172	177	179	177
Feeder livestock	134	154	158	153	161	164	157	158	170	185
Interest payable per acre on farm real estate debt	281	303	331	331	331	331	331	331	384	384
Taxes on farm real estate	162	176	195	195	195	195	195	195	210	210
Wage rates (seasonally adjusted)	192	210	226	229	231	220	220	220	244	244
Production items, interest, taxes, and wage rates	187	198	208	207	206	206	206	207	215	217
Prices received (1910-14=100)	463	465	457	466	434	444	448	452	465	480
Prices paid, etc. (Parity index) (1910-14=100)	614	653	687	680	685	684	688	690	710	716
Parity ratio ³	76	71	67	69	63	65	65	66	65	67

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweet potatoes and dry edible beans. ³ Ratio of index of prices received to index of prices paid, interest, taxes and wage rates. p. preliminary.

Prices received by farmers, U.S. average

	Annual*			1977					1978	
	1975	1976	1977p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Crops										
All wheat (\$/bu.)	3.68	3.15	2.29	2.47	2.16	2.30	2.46	2.47	2.53	2.58p
Rice, rough (\$/cwt.)	10.12	6.90	7.91	6.87	9.13	8.92	10.20	11.00	10.70	11.40p
Corn (\$/bu.)	2.70	2.49	2.03	2.34	1.60	1.67	1.88	1.96	2.00	2.00p
Sorghum (\$/cwt.)	4.31	4.01	3.12	3.51	2.52	2.80	3.03	3.05	3.15	3.11p
All hay, baled (\$/ton)	51.40	58.00	57.10	62.70	50.00	48.20	48.40	49.50	50.50	51.80p
Soybeans (\$/bu.)	5.24	5.58	6.82	7.06	6.17	5.28	5.61	5.69	5.75	5.42p
Cotton, Upland (cts./lb.)	41.2	59.9	60.3	64.8	59.1	53.1	51.4	47.9	48.0	48.8p
Potatoes (\$/cwt.)	4.04	4.15	3.82	3.51	3.50	3.16	3.15	3.01	3.21	3.19
Dry edible beans (\$/cwt.)	20.30	16.40	17.60	16.00	13.80	22.20	24.10	22.80	21.60	22.80
Apples for fresh use (cts./lb.)	10.6	10.1	12.3	10.7	13.3	12.7	12.4	12.6	12.6	13.6
Pears for fresh use (\$/ton)	1.69	1.78	1.46	1.21	1.81	1.97	1.85	2.07	1.95	2.05
Oranges, all uses (\$/box) ¹	1.80	1.69	2.67	.97	3.08	5.26	4.27	3.70	3.71	4.16
Grapefruit, all uses (\$/box) ²	1.78	1.42	1.63	1.58	2.06	2.94	1.73	1.84	1.27	1.38
Livestock										
Beef cattle (\$/cwt.)	32.20	33.90	34.50	33.10	34.80	35.40	34.60	35.70	37.20	39.90
Calves (\$/cwt.)	26.90	34.50	36.90	35.60	38.30	37.60	37.00	37.80	40.80	44.50
Hogs (\$/cwt.)	47.60	43.00	40.00	39.30	40.20	39.90	37.50	41.50	43.90	47.90
Lambs (\$/cwt.)	42.10	47.60	51.30	49.50	51.20	52.10	52.20	56.00	61.00	62.60
All milk, sold to plants (\$/cwt.)	8.78	9.66	9.72	9.54	10.00	10.20	10.20	10.30	10.20	10.20p
Milk, manuf. grade (\$/cwt.)	7.71	8.56	8.71	8.41	8.83	8.99	9.10	9.16	9.12	9.14p
Broilers (cts./lb.)	26.2	23.1	23.5	24.0	24.0	23.1	21.0	20.2	22.8	24.3
Eggs (cts./doz.) ³	52.8	58.8	54.0	66.2	52.6	47.3	51.3	53.6	49.4	55.1
Turkeys (cts./lb.)	33.6	31.8	34.8	32.5	34.3	36.5	38.7	40.3	38.0	37.1
Wool (cts./lb.) ⁴	44.3	65.1	73.2	73.0	71.0	73.7	70.9	72.1	72.9	72.7

¹ Eleven month average. ² Equivalent on-tree returns. ³ Average of all eggs sold by farmers, including hatching eggs and eggs sold at retail. ⁴ Average local market Price, excluding incentive payments. p Preliminary. *Calendar year averages.

Wholesale and Retail Prices

Wholesale Price Index, U.S. average (not seasonally adjusted)

	Annual			1977					1978	
	1975	1976	1977*	Feb	Sept	Oct	Nov	Dec	Jan	Feb
	1967=100									
All commodities	174.9	183.0	194.2	190.2	195.3	196.3	197.0	198.2	199.9	202.0
Industrial commodities	171.5	182.4	195.1	190.1	197.8	199.1	199.2	200.0	201.5	202.8
All foods ¹	186.0	178.9	186.8	183.0	186.8	187.1	188.1	190.5	193.3	198.3
Farm products and processed foods and feeds	184.2	183.1	188.8	188.4	183.9	184.2	186.8	189.5	192.1	196.6
Farm products	186.7	191.0	192.5	199.1	181.9	182.4	185.5	188.3	192.2	198.9
Fruits and vegetables ²	183.7	178.4	192.2	212.7	182.8	187.9	192.9	170.1	197.1	204.6
Grains	223.9	205.9	165.3	185.8	144.2	144.7	164.6	167.3	169.1	170.8
Livestock	187.8	173.3	173.0	166.2	172.9	177.5	171.6	182.7	188.2	202.1
Poultry, live	189.8	166.9	175.4	183.7	181.7	170.5	162.7	157.8	170.2	188.8
Fibers, plant and animal	153.1	223.9	202.3	240.1	165.8	166.9	164.1	161.0	171.0	174.4
Milk	180.2	201.2	202.6	198.4	206.7	209.6	209.8	210.1	208.4	209.7
Eggs	159.8	179.1	162.0	194.8	163.3	137.6	149.4	166.3	145.2	170.3
Oilseeds	198.5	204.4	236.8	244.1	175.6	181.6	202.3	204.2	206.1	195.5
Processed foods and feeds	182.6	178.0	186.1	181.9	184.2	184.5	186.7	189.3	191.3	194.6
Meats	188.7	173.6	170.7	163.4	171.4	175.7	174.7	183.6	185.9	198.2
Beef and veal	176.3	156.0	157.5	149.1	156.5	163.8	163.5	168.5	171.0	182.7
Pork	214.7	201.4	190.1	183.6	191.7	195.5	189.4	207.0	206.3	221.7
Poultry	184.1	166.2	173.3	179.2	178.6	170.1	163.0	160.0	169.1	183.7
Fish	218.7	272.4	294.3	300.2	288.7	283.6	287.2	294.8	293.5	288.5
Dairy	155.8	168.5	173.4	166.8	175.7	175.9	176.9	178.2	178.0	178.7
Processed fruits and vegetables	169.8	170.2	187.3	182.7	191.2	190.3	193.0	194.4	194.4	194.6
Cereal and bakery products	178.0	172.1	173.2	169.9	172.8	175.4	179.7	182.0	183.6	184.7
Sugar and confectionery	254.3	190.9	177.6	177.6	174.3	170.1	177.8	179.0	185.8	193.8
Beverages	162.4	173.5	200.9	189.3	204.8	204.3	200.6	201.3	201.9	201.1
Vegetable oil and products	211.5	174.2	198.7	182.7	202.0	197.0	192.3	197.4	194.5	193.9
Textile products and apparel	139.1	148.2	154.0	151.7	155.1	155.2	155.3	155.9	156.4	157.0
Apparel	133.4	139.9	147.3	145.7	148.4	148.6	149.1	149.4	149.8	148.8
Hides, leather, and related products	148.5	167.8	179.5	176.9	179.9	179.6	180.3	181.8	186.1	187.5
Footwear	147.8	158.9	168.9	165.5	170.5	171.7	172.0	172.1	173.8	176.2
Lumber and wood products	176.8	205.6	236.2	224.4	252.4	247.3	243.2	249.1	256.3	263.7
Tobacco products	149.6	163.0	180.0	174.8	189.6	189.6	189.6	189.9	190.4	191.2

¹ Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from farm products group. ² Fresh and dried. ³ Annual averages computed by USDA from preliminary monthly data reported by BLS; still subject to revision.

Consumer Price Index, U.S. average (not seasonally adjusted)

Items	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
	1967=100									
Consumer price index, all items	161.2	170.5	181.5	177.1	184.0	184.5	185.4	186.1	186.9	188.1
Consumer price index, less food	157.1	167.5	178.4	174.0	180.9	181.6	182.5	183.1	183.6	184.5
All food	175.4	180.8	192.2	187.7	194.5	194.4	195.6	196.3	198.2	201.3
Food away from home	174.3	186.1	200.3	207.2	203.7	204.6	205.4	206.2	207.2	208.1
Food at home	175.8	179.5	190.2	186.2	192.2	191.7	193.0	193.7	195.9	199.6
Meats ¹	177.9	178.2	174.2	171.3	177.7	176.3	177.5	178.3	182.2	187.5
Beef and veal	170.0	164.5	163.6	161.5	164.1	163.7	166.0	168.0	170.5	175.6
Pork	196.9	199.5	188.8	185.1	197.6	194.2	193.8	191.7	198.4	204.5
Poultry	162.4	155.7	156.7	152.9	160.3	158.5	157.4	153.6	158.0	161.3
Fish	203.3	227.3	251.3	241.1	258.8	260.3	262.4	262.6	265.1	264.9
Eggs	157.8	172.4	166.9	207.9	166.6	154.5	157.8	148.6	168.9	161.7
Dairy products ²	156.6	169.3	173.9	171.1	175.4	176.2	176.5	176.9	177.5	179.4
Fats and oils ³	198.6	173.7	191.4	179.5	200.1	197.8	197.2	196.1	196.3	197.7
Fruits and vegetables	171.0	175.4	191.6	194.7	183.2	184.0	188.7	192.5	191.8	199.4
Fresh	166.1	170.2	193.4	203.6	177.6	178.6	185.0	188.0	185.9	196.5
Processed	178.3	183.0	188.8	181.6	191.5	192.1	194.2	199.2	200.5	203.7
Cereals and bakery products	184.8	180.6	183.5	180.0	184.9	185.6	187.1	189.0	190.8	194.5
Sugar and sweets	246.2	218.2	229.4	219.2	233.2	234.6	236.3	239.7	245.4	252.7
Beverages, nonalcoholic	178.9	214.0	322.4	273.8	346.2	343.2	337.4	334.3	332.4	331.0
Apparel commodities less footwear	140.6	144.9	150.6	147.4	152.6	153.7	155.1	154.5	151.0	151.7
Footwear	144.2	149.9	156.9	154.4	158.1	159.1	159.9	159.6	158.2	159.8
Tobacco products	153.9	160.5	168.2	165.8	170.0	171.7	172.8	173.0	173.4	173.8
Beverages, alcoholic	142.1	146.8	150.9	148.8	151.9	152.3	153.2	153.2	153.9	155.4

¹ Beef, veal, lamb, mutton, pork, and processed meat. ² Includes butter. ³ Excludes butter.

Farm-Retail Price Spreads

Farm-retail price spreads

	Annual			1977p					1978p	
	1975	1976	1977p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Market basket¹:										
Retail cost (1967=100)	173.6	175.4	179.2	178.6	179.7	179.2	180.9	181.8	184.2	188.1
Farm value (1967=100)	187.2	178.4	179.1	181.0	178.1	178.8	178.5	178.7	186.0	190.8
Farm-retail spread (1967=100)	165.0	173.5	179.3	177.1	180.7	179.4	182.4	183.8	183.0	186.4
Farmer's share (%)	42	39	39	39	38	39	38	38	39	39
Beef, choice:										
Retail price ² (cts./lb.)	146.0	138.9	138.3	134.6	138.9	141.5	141.9	144.8	148.2	151.2
Carcass value ³ (cts.)	105.5	88.6	91.0	85.6	91.3	95.5	95.2	98.6	99.4	102.6
Net farm value (cts./2.28 lbs.)	92.9	77.9	79.9	74.8	80.2	84.4	83.4	86.1	86.6	89.8
Farm-retail spread (cts.)	53.1	61.0	58.4	59.8	58.7	57.1	58.5	58.7	61.6	61.4
Carcass-retail spread ⁴ (cts.)	40.5	50.3	47.3	49.0	47.6	46.0	46.7	46.2	48.8	48.6
Farm-carcass spread ⁵ (cts.)	12.6	10.7	11.1	10.8	11.1	11.1	11.8	12.5	12.8	12.8
Farmer's share (%)	64	56	58	56	58	60	59	59	58	59
Pork:										
Retail price ² (cts./lb.)	135.0	134.3	125.4	121.1	130.8	126.9	127.5	130.6	133.8	138.4
Wholesale value ³ (cts.)	103.8	93.6	87.6	85.0	85.4	88.2	90.6	95.1	91.5	96.5
Net farm value (cts./1.97 lbs.)	86.9	78.5	73.4	70.9	73.7	72.7	70.3	79.0	82.3	87.6
Farm-retail spread (cts.)	48.1	55.8	52.0	50.2	57.1	54.2	57.2	51.6	51.5	50.8
Carcass-retail spread ⁴ (cts.)	31.2	40.7	37.8	36.1	45.4	38.7	36.9	35.5	42.3	41.9
Farm-carcass spread ⁵ (cts.)	16.9	15.1	14.2	14.1	11.7	15.5	20.3	16.1	9.2	8.9
Farmer's share (%)	64	58	59	59	56	57	55	60	62	63
Milk, fresh:										
Retail price (cts./½ gal.)	78.5	82.8	83.9	83.6	84.9	84.3	84.4	84.3	84.5	85.3
Farm value (cts./4.39 lbs. Class I)	41.2	46.2	45.8	44.9	47.2	46.8	46.8	46.7	47.3	46.8
Farm-retail spread (cts.)	37.3	36.6	38.1	38.7	37.7	37.5	37.6	37.6	37.2	38.5
Farmer's share (%)	52	56	55	54	56	56	55	55	56	55
Chicken, frying:										
Retail price (cts./lb.)	63.2	59.7	60.1	58.8	61.5	60.4	59.8	57.7	59.8	61.3
Farm value (cts./1.41 lbs. broilers)	37.0	32.6	33.0	31.9	35.5	33.0	30.2	27.9	31.2	32.9
Farm-retail spread (cts.)	26.2	27.1	27.1	26.9	26.0	27.4	29.6	29.8	28.6	28.4
Farmer's share (%)	59	55	55	54	58	55	51	48	52	54
Eggs, large grade A:										
Retail price (cts./doz.)	77.0	84.9	82.3	103.3	81.2	75.6	77.0	71.9	82.7	80.8
Farm value (cts./1.03 doz.)	50.8	58.0	53.8	71.5	54.8	47.8	51.2	44.3	54.2	51.5
Farm-retail spread (cts.)	26.2	26.9	28.5	31.8	26.4	27.8	25.8	27.6	28.5	29.3
Farmer's share (%)	66	68	65	69	67	63	66	62	66	64
Bread, white:										
Retail price (cts./lb.)	36.0	35.3	35.5	35.3	35.5	35.3	35.2	35.6	35.0	36.1
Farm value (cts./0.867 lb. wheat)	4.5	3.8	2.6	2.8	2.6	2.8	2.8	2.8	3.0	2.9
Farm value (cts. for all farm ingredients)	6.8	5.6	4.5	4.6	4.4	4.6	4.6	4.7	4.9	4.9
Farm-retail spread (cts.)	29.2	29.7	31.0	30.7	31.1	30.7	30.6	30.9	30.1	31.2
Farmer's share (%)	19	16	13	13	12	13	13	13	14	14
Lettuce:										
Retail price (cts./head)	41.7	47.7	47.6	48.4	51.2	53.2	49.0	56.2	50.6	64.8
Farm value (cts./1.88 lbs.)	13.8	17.1	15.0	16.2	15.9	21.3	22.8	13.9	19.8	22.0
Farm-retail spread (cts.)	27.9	30.6	32.6	32.2	35.3	31.9	26.2	42.3	30.8	42.8
Farmer's share (%)	33	36	32	33	31	40	47	25	39	34
Potatoes:										
Retail price (cts./10 lbs.)	134.4	145.8	149.7	142.0	136.1	129.1	131.4	132.0	129.0	130.5
Farm value (cts./10.42 lbs.)	42.2	43.2	41.2	36.5	36.4	32.9	32.8	31.3	33.4	33.2
Farm-retail spread (cts.)	92.2	102.6	108.5	105.5	99.7	96.2	98.6	100.7	95.6	97.3
Farmer's share (%)	31	30	28	26	27	25	25	24	26	25
Tomatoes:										
Retail price (cts./lb.)	57.9	57.6	67.8	82.6	58.6	59.8	63.3	73.0	72.1	56.8
Farm value (cts./1.18 lbs.)	23.8	23.8	28.2	38.2	24.6	21.3	35.6	22.1	27.8	20.8
Farm-retail spread (cts.)	34.1	33.8	39.6	44.4	34.0	38.5	27.7	50.9	44.3	36.0
Farmer's share (%)	41	41	42	46	42	36	56	30	39	37
Orange juice, frozen concentrate:										
Retail price (cts./6-oz. can)	28.2	28.7	34.6	28.8	37.0	38.4	39.2	41.2	42.2	43.3
Farm value (cts./3.08 lbs.)	8.6	10.7	10.5	9.3	11.3	11.3	11.3	11.3	13.2	15.3
Farm-retail spread (cts.)	19.6	18.0	24.1	19.5	25.7	27.1	27.9	29.9	29.0	28.0
Farmer's share (%)	30	37	30	32	31	29	29	27	31	35
Margarine:										
Retail price (cts./lb.)	62.9	52.5	57.2	52.9	61.1	59.7	59.8	59.0	58.6	59.4
Farm value (cts. for veg. oil and NFDM)	21.1	16.6	20.5	19.5	16.1	17.8	16.6	19.2	17.8	17.7
Farm-retail spread (cts.)	41.8	35.9	36.7	33.4	45.0	41.8	42.0	39.8	40.8	41.7
Farmer's share (%)	34	32	36	37	26	30	28	33	30	30

¹ For a market basket of U.S. farm foods representing the average quantities purchased annually per household in 1960-61. Retail prices are from Bureau of Labor Statistics unless otherwise noted. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods. ² Composite monthly average prices of all cuts adjusted for volume sold at special prices derived from BLS and food chain prices. ³ For a quantity equivalent to 1 lb. retail cuts: Beef, 1.41 lb. of carcass beef (yield grade 3); pork, 1.07 lb. of wholesale cuts. ⁴ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁵ Represents charges made for livestock marketing, processing, and transportation to city where consumed. p Preliminary.

Livestock and Products

Livestock and products output and prices

	1976			1977					1978		
	III	IV	Annual	I	II	III	IV	Annual	I ¹	II ¹	III ¹
Beef (mil. lb.)	6,618	6,412	25,667	6,285	6,162	6,320	6,217	24,984	6,200	6,100	6,000
Change (pct.) ²	+11	+2	+8	-3	0	-5	-3	-3	-1	-1	-5
Pork (mil. lb.)	3,014	3,669	12,488	3,293	3,186	3,074	3,499	13,052	3,250	3,300	3,150
Change (pct.) ²	+18	+27	+8	+11	+12	+2	-5	+5	-1	+4	+2
Veal (mil. lb.)	205	224	813	203	186	206	201	796	185	140	140
Change (pct.) ²	-12	-9	-2	-1	+4	0	-10	-2	-9	-25	-32
Lamb and mutton (mil. lb.)	92	92	361	90	86	84	81	341	78	82	85
Change (pct.) ²	-12	-6	-10	-5	+5	-9	-12	-6	-13	-5	+1
Red meats (mil. lb.)	9,929	10,397	39,329	9,871	9,620	9,684	9,998	39,173	9,713	9,622	9,375
Change (pct.) ²	+12	+9	+8	+1	+4	-2	-4	0	-2	0	-3
Broilers (mil. lb.)	2,372	2,186	8,988	2,156	2,399	2,424	2,248	9,227	2,345	2,545	2,600
Change (pct.) ²	+14	+10	+13	+2	+4	+2	+2	+3	+9	+6	+7
Turkeys (mil. lb.)	710	664	1,950	210	365	672	645	1,892	230	400	715
Change (pct.) ²	+14	+5	+14	+1	-1	-5	-3	-3	+10	+10	+6
Total meats (mil. lb.)	13,011	13,247	50,267	12,237	12,384	12,780	12,891	50,292	12,288	12,567	12,690
Change (pct.) ²	+13	+9	+9	+2	+4	-2	-3	0	0	+1	-1
Eggs (mil. doz.)	1,335	1,353	5,377	1,324	1,335	1,330	1,414	5,403	1,375	1,370	1,360
Change (pct.) ²	-1	0	0	-1	0	0	+5	0	+4	+3	+2
Milk (bil. lb.)	30.2	28.5	120.3	29.8	33.1	30.9	29.0	³ 123.0	30.0	33.7	30.7
Change (pct.) ²	+6	+4	+4	+2	+2	+3	+2	+2	0	+2	-1
Total livestock and products (1974=100)	108.1	107.2	105.5	103.1	107.5	107.5	106.4	106.1	103.8	108.7	106.8
Change (pct.) ²	+9.1	+6.0	+6.6	+1.1	+2.8	-6	-7	+6	+7	+1.1	-7
Prices											
Choice steers, Omaha (\$ per cwt.)	37.30	39.00	39.11	37.88	40.77	40.47	42.42	40.38	45.50	46.48	49.51
Barrows and gilts, 7-markets (\$ per cwt.)	43.88	34.25	43.11	39.08	40.87	43.85	41.38	41.30	47.50	45.47	48.50
Broilers, 9-city wholesale (cts. per lb.) ⁴	41.5	35.5	40.2	40.9	42.3	42.4	37.6	40.8	41.8	42.44	44.46
Turkeys, N.Y., wholesale (cts. per lb.) ⁵	48.5	49.0	48.8	50.2	51.5	53.1	61.3	54.0	60.5	56.58	54.56
Eggs, cartoned, Grade A large, N.Y. (cts. per doz)	71.8	78.4	70.3	74.9	57.8	61.5	58.9	63.3	62.2	50.52	55.57
Milk, all at farm, (\$ per cwt.)	9.66	9.86	9.66	9.54	9.38	9.73	10.23	9.71	10.20	10.00-10.10	10.25-10.35
Livestock prices received by farmers (1967=100)	175	165	177	172	174	178	177	175	194	197	211

¹ Forecast. ² Change from year-earlier. ³ Does not add due to rounding of quarterly data. ⁴ Weighted average. ⁵ 8-16 pound young hens.

Dairy:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Milk production:										
Total milk (mil. lb.)	115,334	120,269	122,957	9,337	9,850	9,844	9,429	9,770	9,988	9,341
Milk per cow (lb.)	10,350	10,879	11,194	847	898	899	861	893	914	856
Number of milk cows (thou.)	11,143	11,055	10,984	11,025	10,972	10,955	10,952	10,939	10,931	10,915
Milk prices, Minnesota-Wisconsin:										
3.5% fat (\$/cwt.) ¹	7.62	8.48	8.58	8.16	8.74	8.74	8.79	8.87	8.91	9.00
Price of 16% dairy ration (\$/ton)	134	141	140	151	128	125	129	135	136	134
Milk-feed price ratio (lb.) ²	1.40	1.53	1.60	1.48	1.80	1.84	1.75	1.71	1.69	1.70
Stocks, beginning										
Total milk equiv. (mil. lb.) ³	5,886	3,844	5,708	6,201	10,428	9,974	9,353	8,983	8,626	8,737
Commercial (mil. lb.)	5,576	3,719	5,299	5,382	6,712	6,029	5,403	5,187	4,938	5,229
Government (mil. lb.)	310	124	410	819	3,715	3,945	3,950	3,796	3,688	3,508
Imports, total milk equiv. (mil. lb.) ³	1,669	1,943	1,961	115	162	160	129	397	221	—
USDA net removals:										
Total milk equiv. (mil. lb.) ³	2,036	1,236	6,092	882.7	38.6	161.9	118.8	5.9	554.1	556.1
Butter:										
Production (mil. lb.)	983.8	978.6	1,093.6	96.2	75.5	84.9	81.8	89.3	108.3	—
Stocks, beginning (mil. lb.)	49.2	10.9	47.1	67.6	207.7	203.4	198.3	193.7	184.9	195.7
Wholesale price, Grade A Chicago (cts./lb.)	79.4	92.0	98.4	90.8	100.7	100.7	100.9	101.5	100.7	100.7
USDA net removals (mil. lb.)	63.4	39.4	222.4	31.5	.3	7.0	5.4	.1	26.0	26.7
Commercial disappearance (mil. lb.)	951.0	919.0	866.1	53.9	88.7	81.9	74.4	94.3	66.3	—
American cheese:										
Production (mil. lb.)	1,654.6	2,062.4	2,035.7	158.8	142.8	145.2	136.0	157.8	163.6	—
Stocks, beginning (mil. lb.)	420.9	307.8	411.4	417.1	531.9	499.0	454.0	436.1	422.1	412.8
Wholesale price, Wisconsin assembly Pt. (cts./lb.)	86.6	96.3	96.8	92.6	98.3	98.3	98.8	100.1	100.1	100.8
USDA net removals (mil. lb.)	68.2	38.0	148.3	23.3	2.9	1.4	.4	.1	1.4	.3
Commercial disappearance (mil. lb.)	1,717.1	1,934.5	1,951.4	153.5	179.3	195.1	153.8	172.6	186.4	—
Other cheese:										
Production (mil. lb.)	1,156.8	1,274.1	1,308.6	95.2	108.6	109.1	112.5	117.7	110.5	—
Stocks, beginning (mil. lb.)	73.1	60.8	67.1	68.7	73.2	70.8	65.3	61.4	64.0	65.8
Commercial disappearance (mil. lb.)	1,331.9	1,460.7	1,505.4	106.7	127.0	129.2	129.6	154.3	122.1	—
Nonfat dry milk:										
Production (mil. lb.)	1,001.5	926.2	1,105.2	72.3	78.4	71.5	65.9	77.5	79.7	—
Stocks, beginning (mil. lb.)	293.2	468.9	485.4	465.4	653.4	679.0	688.3	681.7	677.9	689.4
Wholesale price, avg. manf. (cts./lb.)	63.3	63.4	66.5	62.5	67.9	67.9	68.0	68.1	68.1	—
USDA net removals (mil. lb.)	394.4	157.1	464.3	21.3	38.3	26.4	22.0	20.3	29.1	22.6
Commercial disappearance (mil. lb.)	697.0	719.2	680.8	58.1	68.0	58.9	44.6	63.9	50.3	—
Frozen dessert production (mil. gal.) ⁴	1,183.9	1,152.7	1,153.3	75.7	105.0	85.4	78.9	73.4	69.5	—

¹ Manufacturing grade milk. ² Pounds of ration equal in value to 1 lb. of milk. ³ Milk equivalent, fat-solids basis. ⁴ Ice cream, ice milk, and sherbet.

Poultry and eggs:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Eggs										
Farm production (mil.)	64,586	64,517	64,833	4,912	5,312	5,609	5,548	5,805	5,724	5,083
Average number of layers on farms (mil.)	278	274	275	276	277	282	285	287	285	281
Rate of lay (eggs per layer)	233	235	236	17.8	19.2	19.9	19.4	20.2	20.1	18.1
Cartoned price, New York, grade A										
large (cts./doz.) ¹	63.9	70.3	63.3	76.2	60.8	56.0	56.6	64.0	57.2	64.9
Price of laying feed (\$/ton)	147	151	152	160	138	135	141	145	147	146
Egg-feed price ratio (lb.) ²	7.2	7.9	7.1	8.2	7.6	7.0	7.3	7.4	6.7	7.5
Stocks, beginning of period:										
Shell (thou. cases)	36	22	28	27	47	50	52	50	39	50
Frozen (mil. lb.)	54.2	36.3	26.1	26.9	35.3	33.7	33.4	31.2	29.7	28.1
Replacement chicks hatched (mil.)	454	492	502	40.9	37.4	37.8	34.5	32.5	36.8	37.1
Broilers										
Federally inspected slaughter, certified (mil. lb.)	7,966	8,987	9,227	659.2	808.2	775.5	719.8	753.2	781.4	—
Wholesale price, 9-city, (cts./lb.)	45.1	40.2	40.8	42.1	40.9	39.2	37.3	36.2	40.2	43.1
Price of broiler grower feed (\$/ton)	163	168	170	178	154	153	159	160	162	164
Broiler-feed price ratio (lb.) ²	3.2	2.8	2.8	2.7	3.1	3.0	2.6	2.5	2.8	3.0
Stocks, beginning of period (mil. lb.)	37.2	22.3	32.9	27.4	29.6	30.7	31.2	33.3	29.4	27.4
Average weekly placements of broiler chicks, 21 States (mil.)	57.7	63.6	66.7	65.1	62.7	63.3	63.2	66.2	67.7	69.0
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	1,716	1,950	1,892	58.7	238.2	250.3	246.8	148.2	81.8	—
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	53.6	48.7	54.0	49.7	55.0	57.4	60.7	65.8	60.5	59.2
Price of turkey grower feed (\$/ton)	167	174	184	186	172	168	175	177	177	177
Turkey-feed price ratio (lb.) ²	4.2	3.7	3.8	3.5	4.0	4.3	4.4	4.6	4.3	4.2
Stocks, beginning of period (mil. lb.)	275.0	195.2	203.4	190.2	329.9	409.3	444.5	269.4	167.9	168.3
Poult hatched (mil.)	137.1	149.5	148.4	12.7	4.5	5.2	6.0	8.5	11.8	13.7

¹ Price of cartoned eggs to volume buyers for delivery to retailers. ² Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Meat animals:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Cattle on feed (7-States)										
Number on feed (thou. head) ¹	6,369	8,537	8,213	7,873	6,726	6,958	8,140	8,567	8,927	8,614
Placed on feed (thou. head) ²	18,095	18,976	20,817	1,362	1,829	2,886	2,048	2,067	1,639	1,690
Marketings (thou. head)	14,988	18,167	18,720	1,567	1,530	1,589	1,498	1,605	1,740	1,666
Other disappearance (thou. head)	939	1,133	1,383	112	67	115	123	102	212	181
Beef steer-corn price ratio, Omaha (bu.) ³	15.8	15.2	19.9	16.0	24.2	23.6	20.7	21.1	21.7	22.2
Hog-corn price ratio, Omaha (bu.) ³	16.9	16.5	20.2	16.8	24.1	22.6	19.2	21.4	22.7	24.0
Commercial slaughter (thou. head)										
Cattle	40,911	42,654	41,856	3,301	3,572	3,556	3,542	3,470	3,468	3,268
Steers	17,819	18,879	19,342	1,489	1,590	1,543	1,544	1,562	1,606	1,555
Heifers	10,438	12,158	11,748	934	1,086	1,049	946	933	971	912
Cows	11,557	10,619	9,864	809	814	886	974	909	832	742
Bulls and stags	1,097	998	902	69	82	78	78	66	59	59
Calves	5,209	5,350	5,517	442	475	471	474	450	425	387
Sheep and lambs	7,835	6,714	6,356	474	588	545	495	455	438	402
Hogs	68,687	73,784	77,303	6,096	6,762	6,771	7,198	6,528	6,240	6,090
Commercial production (mil. lb.)										
Beef	23,673	25,667	24,986	1,981	2,122	2,095	2,080	2,045	2,078	1,953
Veal	827	813	794	63	71	70	68	63	62	56
Lamb and mutton	399	361	341	27	30	29	27	25	25	23
Pork	11,586	12,488	13,051	1,013	1,130	1,151	1,241	1,108	1,051	1,013
Market prices										
				Dol. per 100 pounds						
Slaughter cattle:										
Choice steers, Omaha	44.61	39.11	40.38	37.98	40.35	42.29	41.83	43.13	43.62	45.02
Utility cows, Omaha	21.09	25.31	25.32	23.88	26.12	24.89	23.80	25.02	27.59	30.34
Choice vealers, S. St. Paul	40.44	45.18	48.19	54.88	41.54	42.50	40.98	40.50	40.50	43.75
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	33.91	39.40	40.19	37.86	40.85	40.82	39.94	41.33	44.07	47.60
Slaughter hogs:										
Barrows and gilts, No. 1&2, Omaha ⁴	50.12	44.70	42.10	41.08	41.71	41.40	40.43	45.38	46.95	49.72
Barrows and gilts, 7-markets	48.32	43.11	41.07	40.18	41.40	40.83	39.33	43.99	45.99	48.83
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	44.80	36.54	35.42	33.24	37.46	34.94	32.32	30.38	35.88	44.12
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	44.45	49.87	54.28	51.25	53.76	55.69	55.06	58.75	61.44	64.88
Ewes, Good, San Angelo	15.34	17.69	19.19	19.25	19.62	19.69	20.88	25.75	26.19	26.94
Feeder lambs:										
Choice, San Angelo	41.40	51.28	55.12	54.81	54.31	55.75	63.19	68.83	67.00	76.31
Wholesale meat prices, Midwest ⁵										
Choice steer beef, 600-700 lb.	72.55	60.99	62.69	58.92	63.04	65.87	65.47	68.10	68.74	71.08
Canner and Cutter cow beef	42.90	52.00	51.68	51.09	50.73	48.46	48.32	51.97	57.64	62.92
Pork loins, 8-14 lb.	92.69	86.45	83.04	80.56	85.52	85.60	76.95	88.70	91.60	92.63
Pork bellies, 12-14 lb.	78.52	65.27	54.19	52.08	55.04	49.15	43.79	51.32	59.37	67.14
Hams, skinned, 14-17 lb.	84.06	79.79	76.50	72.82	75.77	84.62	94.22	92.09	83.00	87.76
	Annual			1977					1978	
	1975	1976	1977	IV	I	II	III	IV	I	II
Cattle on feed (23-States):										
Number on feed (thou. head) ¹	9,622	12,328	11,948	9,282	11,948	10,619	9,765	9,793	12,809	—
Placed on feed (thou. head) ²	24,685	25,508	27,657	8,762	5,614	6,007	6,479	9,557	—	—
Marketings (thou. head)	20,500	24,170	24,861	5,684	6,462	6,147	6,159	6,093	—	—
Other disappearance (thou. head)	1,479	1,718	1,935	412	481	714	292	448	—	—
Hogs and pigs (14-States): ⁴										
Inventory (thou. head) ¹	47,170	41,855	47,120	48,885	47,120	44,100	46,640	50,000	48,380	44,680
Breeding (thou. head) ¹	6,283	6,368	6,788	6,828	6,788	7,016	7,352	7,307	7,477	6,930
Market (thou. head) ¹	40,887	35,487	40,332	42,057	40,332	37,084	39,288	42,693	41,833	37,750
Farrowings (thou. head)	8,417	9,996	10,506	2,524	2,304	2,893	2,716	2,593	2,285	2,935
Pig crop (thou. head)	60,476	72,580	75,217	17,970	15,586	21,386	19,625	18,620	15,626	—

¹ Beginning of period. ² Other disappearance excluded in 1973; not comparable with 1974 and 1975. ³ Bushels of corn equal in value to 100 pounds liveweight.⁴ 220-240 lb. ⁵ Prior to Oct. 1975, Chicago. ⁶ Quarters are Dec. preceding year Feb. (I), Mar-May (II), June-Aug (III), and Sept-Nov (IV). ⁷ Intentions.

Wool:

	Annual			1977					1978	
	1974	1975	1976	Feb	Sept	Oct	Nov	Dec	Jan	Feb
U.S. wool price, Boston ¹ (cts./lb.)	176	150	182	188	182	182	182	182	182	178
Imported wool price, Boston ² (cts./lb.)	239	202	214	222	223	223	228	224	223	223
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	74,856	94,117	106,629	8,273	8,580	7,714	7,000	7,947	7,639	n.a.
Carpet wool (thou. lb.)	18,595	15,908	15,117	1,051	1,149	708	785	1,028	1,020	n.a.

¹ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 1/2" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. ² Wool price delivered at U.S. mills, clean basis, Australian 64's, type 78, including duty (25 5 cents). Prior to January 1976 reported as: Australian 64's combing, excluding duty. n.a. Not available.

Cotton:

	Marketing year ¹			1977					1978	
	1974/75	1975/76	1976/77	Feb	Sept	Oct	Nov	Dec	Jan	Feb
U.S. price, SLM, 1-1/16 in. (cts./lb.) ²	41.7	58.0	70.9	72.2	49.3	49.1	48.0	48.4	51.1	52.9
Northern Europe prices:										
Index (cts./lb.) ³	52.5	65.3	81.7	83.8	60.0	59.2	57.9	59.5	64.1	66.4
U.S., SM 1-1/16 in. (cts./lb.) ⁴	56.4	71.4	82.4	85.0	62.1	61.3	59.6	61.0	64.8	66.0
U.S. mill consumption (thou. bales)	5,833.7	7,227.7	6,672.0	542.2	625.9	528.8	521.5	585.7	506.4	—
Exports (thou. bales)	3,925.9	3,311.3	4,783.6	534.7	209.2	155.2	347.5	519.6	—	—

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. ⁴ Memphis territory growths.

Crops and Products

Feed grains:

	Marketing year ¹			1977					1978	
	1974/75	1975/76	1976/77	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Wholesale prices:										
Corn, No. 2 yellow, Chicago (\$/bu.)	3.12	2.75	2.30	2.54	1.80	1.84	2.14	2.19	2.19	2.21
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	5.04	4.46	3.49	3.85	2.78	3.06	3.40	3.36	3.37	3.48
Barley, feed, Minneapolis (\$/bu.)	2.58	2.38	2.34	2.35	1.58	1.66	1.65	1.70	1.65	1.65
Barley, malting, Minneapolis (\$/bu.) ²	4.16	3.52	3.13	2.91	2.15	2.25	2.36	2.32	2.26	2.28
Exports:										
Corn (mil. bu.)	1,149	1,711	1,684	120	138	120	144	154	*123	*134
Feed grains (mil. short tons) ³	39.4	55.1	55.8	4.4	4.6	3.8	4.6	5.3	*4.1	*4.5

	Marketing year ¹			1976		1977			1978	
	1974/75	1975/76	1976/77	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar
Corn:										
Stocks, beginning (mil. bu.)	484	361	399	1,867	399	4,890	3,293	2,365	884	5,442
Domestic use:										
Feed (mil. bu.)	3,226	3,592	3,587	776	1,158	1,070	550	808	1,257	—
Food, seed, ind. (mil. bu.)	451	490	513	160	121	127	96	169	125	—
Feed grains: ⁴										
Stocks, beginning (mil. short tons)	23.7	16.9	19.0	62.9	29.8	163.8	109.2	77.4	47.8	186.7
Domestic use:										
Feed (mil. short tons)	116.1	128.0	124.1	27.4	40.9	36.0	18.3	28.5	43.1	—
Food, seed, ind. (mil. short tons)	17.7	18.8	19.7	6.1	4.4	4.8	4.2	6.3	4.5	—

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² No. 3 or better, 65% or better Plump beginning October 1977. ³ Aggregated data for corn, sorghum, oats and barley. ⁴ Based on Inspections for Export.

Food grains:

	Marketing year ¹			1977					1978	
	1974/75	1975/76	1976/77	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	4.20	3.74	2.88	2.73	2.47	2.56	2.81	2.80	2.82	2.84
Wheat, DNS, Minneapolis (\$/bu.) ²	4.57	3.74	2.96	2.87	2.51	2.61	2.71	2.68	2.73	2.72
Flour, Kansas City (\$/cwt.)	10.19	9.25	7.21	6.81	6.09	6.32	6.58	6.49	6.99	6.68
Flour, Minneapolis (\$/cwt.)	11.40	10.41	8.34	7.86	7.02	7.19	7.34	7.20	7.59	7.32
Rice, S.W. La. (\$/cwt.) ³	21.50	17.20	14.60	13.50	16.20	17.75	22.10	24.15	24.00	24.00
Wheat:										
Exports (mil. bu.)	1,018	1,173	950	65	115	72	61	93	68	—
Mill grind (mil. bu.)	538	572	593	48	49	49	50	62	48	—
Wheat flour production (mil. cwt.)	239	255	263	21	22	22	22	23	22	—

	Marketing year ¹			1976		1977			1978	
	1974/75	1975/76	1976/77	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar
Wheat:										
Stocks, beginning (mil. bu.)	340	435	665	665	2,188	1,782	1,390	1,112	2,398	1,991
Domestic use:										
Food (mil. bu.)	521	559	553	188	144	138	83	182	143	—
Feed and seed (mil. bu.) ⁴	151	162	195	33	43	75	44	178	39	—
Exports (mil. bu.)	1,018	1,173	950	399	220	179	152	382	225	—

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by residual.

Fats and oils:

	Marketing year ¹			1977					1978	
	1974/75	1975/76	1976/77	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Soybeans:										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	6.34	5.25	7.36	7.25	5.21	5.05	5.77	5.87	5.65	5.57
Crushings (mil. bu.)	701.3	865.1	790.2	71.6	51.9	75.8	85.2	86.6	85.3	75.4
Processing margin (\$/bu.) ²	.17	.16	.19	.25	.42	.14	.26	.26	.10	.50
Exports (mil. bu.)	420.7	555.1	564.1	59.9	15.0	77.6	87.7	57.0	—	—
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	30.7	18.3	23.9	22.4	19.2	18.8	21.0	22.6	20.9	21.7
Production (mil. lb.)	7,375.3	9,629.8	8,577.9	791.2	578.2	821.9	922.3	931.5	911.9	809.4
Domestic disappearance (mil. lb.)	6,518.1	7,906.1	7,454.4	684.1	679.6	716.5	717.5	656.2	—	—
Exports (mil. lb.)	1,028.3	975.8	1,547.5	96.7	66.1	109.0	185.6	175.8	—	—
Stocks, beginning (mil. lb.)	793.5	560.6	1,250.6	1,599.5	937.3	766.6	752.1	766.5	859.2	912.9
Soybean meal:										
Wholesale price, 44% protein, Decatur (\$/ton)	130.86	147.77	199.80	211.00	143.60	135.00	161.70	160.10	152.90	162.20
Production (thou. ton)	16,701.6	20,754.2	18,488.1	1,709.2	1,243.1	1,781.4	2,017.3	2,044.1	2,007.0	—
Domestic disappearance (thou. ton)	12,501.3	15,551.6	14,000.8	1,356.9	992.6	1,500.8	1,506.4	1,518.1	1,690.0	—
Exports (thou. ton)	4,298.8	5,144.8	4,559.2	305.4	292.6	229.2	533.9	520.6	309.3	—
Stocks, beginning (thou. ton)	507.3	358.3	354.9	384.7	270.4	228.3	270.0	239.8	245.1	252.8
Margarine, wholesale price, Chicago (cts./lb.)	44.3	37.9	31.4	34.0	38.5	37.4	36.9	36.1	34.5	34.6

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975, and 1976 for margarine. ² Spot basis, Illinois shipping points.

Tobacco:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Prices at auctions:										
Flue-cured (cts./lb.) ¹	99.8	110.4	117.9	—	131.7	115.2	100.2	—	—	—
Burley (cts./lb.) ¹	105.6	114.2	119.9	112.8	—	—	121.4	118.3	121.3	122.1
Domestic consumption³										
Cigarettes (bil.)	588.3	617.1	592.0	49.2	49.1	50.8	51.4	42.9	48.4	—
Large cigars (mil.)	5,692	45,268	50,020	406.4	413.6	461.2	406.9	380.8	370.00	—

¹ Crop year July-June for flue-cured, October-September for burley. ² Through March 23, 1978. ³ Taxable removals. ⁴ Subject to revision. ⁵ Estimated.

Fruit:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Wholesale price indexes:										
Fresh fruit (1967=100)	157.8	160.4	177.5	174.3	192.1	183.6	176.5	160.0	177.6	183.2
Dried fruit (1967=100)	213.4	234.9	338.4	356.7	356.9	283.0	286.3	286.3	285.8	284.3
Canned fruit and juice (1967=100)	173.8	174.4	190.4	184.8	192.8	194.5	198.8	201.0	202.7	204.1
Frozen fruit and juice (1967=100)	156.5	156.2	196.5	186.1	212.6	212.6	225.9	228.6	228.6	228.7
F.o.b. shipping point prices:										
Apples, Yakima Valley (\$/ctn.) ¹	7.36	7.46	9.11	8.92	9.22	9.28	9.29	9.50	9.50	9.50
Pears, Yakima Valley (\$/box) ²	6.63	7.35	6.94	6.16	n.a.	7.48	7.87	8.10	8.64	9.06
Dranges, U.S. avg. (\$/box)	6.76	6.72	7.44	7.62	9.10	11.66	9.91	9.53	9.69	10.17
Grapelruit, U.S. avg. (\$/box)	6.18	5.76	6.34	6.85	6.80	7.87	6.23	6.26	6.91	5.91
Stocks, beginning:										
Fresh apples (mil. lb.)	2,214.1	2,569.3	2,249.0	1,775.9	14.2	1,035.3	3,142.2	2,710.9	2,138.0	1,656.5
Fresh pears (mil. lb.)	170.5	162.3	211.6	178.0	155.8	399.0	239.4	205.5	162.1	106.6
Frozen fruit (mil. lb.)	607.3	558.3	538.9	499.0	621.5	632.5	677.8	636.3	596.7	547.8
Frozen fruit juices (mil. lb.)	883.0	967.0	844.1	914.9	895.8	780.6	679.1	553.7	613.0	736.8

¹ Red Delicious, regular storage, Washington extra fancy, carton tray pack, 80-125's. ² D'Anjou pears, regular storage, Washington wrapped, U.S. No. 1, 90-135's. n.a. not available. NOTE: Beginning stocks for 1975-77 previously reported have been corrected in this issue.

Vegetables:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Wholesale prices:										
Potatoes, white, f.o.b. East (\$/cwt.)	5.65	5.90	5.52	6.37	3.39	4.46	4.21	4.05	4.02	3.92
Iceberg lettuce (\$/ctn.) ¹	2.70	3.57	3.23	2.78	3.68	3.96	5.41	2.78	5.68	4.27
Tomatoes (\$/ctn.) ²	5.81	6.44	6.61	7.30	5.29	5.84	11.62	7.48	7.27	6.57
Wholesale price index, 10 canned veg. (1967=100)	168	160	170	163	169	169	168	166	167	168
Grower price index, fresh commercial veg. (1967=100)	173	173	198	260	168	183	210	163	207	204

¹ Std. carton 24's, f.o.b. shipping point. ² 2 layers, 5 x 6-6 x 6, f.o.b. Fla.-Cal.

Sugar:

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Wholesale price, N.Y. (\$/cwt.) ¹	22.47	13.31	³ 10.99	15.04	10.41	10.23	—	—	—	—
U.S. deliveries (thou. short tons) ^{1 2}	9,974	10,856	⁴ 11,210	761	1,001	913	958	832	⁴ 775	⁴ 734

¹ Raw value. ² Excludes Hawaii. ³ Ten month average. ⁴ Preliminary.

Coffee:

	Annual			1977p					1978	
	1975	1976	1977p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Composite green price, N.Y. (cts./lb.)	71.76	142.48	256.39	251.20	236.02	221.70 ¹	228.51	201.15	200.11	191.31
Imports, green bean equivalent (mil. lb.) ¹	2,767	2,717	1,974	248	100	78	125	173	252	n.a.
	Annual			1976		1977p			1978	
	1975	1976	1977p	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
Roastings (mil. lb.) ²	2,454	2,519	1,892	510	511	629	428	313	522	n.a.

¹ Green and processed coffee. ² Instant soluble and roasted coffee. p preliminary. n.a. not available.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Rail freight rate index ¹										
All products (1969=100)	169.4	186.6	199.1	198.0	198.5	198.5	198.6	207.7	207.8	207.8
Farm products (1969=100)	165.0	182.7	191.3	190.0	190.6	191.0	191.0	200.1	200.9	200.1
Food products (1969=100)	168.5	185.1	195.3	194.5	194.7	194.7	194.8	204.0	204.0	203.9
Rail carloadings of grain (thou. cars) ²	22.8	25.5	24.0	24.6	23.6	26.7	26.6	22.7	21.5	21.7
Barge shipments of grain (mil. bu.) ³	23.0	30.4	29.3	15.3	28.1	32.3	35.3	27.0	25.0	19.5
Fresh fruit and vegetable shipments										
Rail (thou. carlots) ^{3, 4}	3.8	3.3	2.0	2.2	1.7	1.9	1.4	1.6	n.a.	n.a.
Truck (thou. carlots) ^{3, 4}	13.9	16.0	15.4	11.5	12.3	13.7	14.5	15.3	n.a.	n.a.

¹Department of Labor, Bureau of Labor Statistics. ²Weekly average; from Association of American Railroads. ³Weekly average; from Agricultural Marketing Service, USDA. ⁴Preliminary data for 1977. n.a. not available.

General Economic Data

Selected monthly indicators

	Annual			1977					1978	
	1975	1976	1977p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Monthly data seasonally adjusted except as noted										
Industrial production, total ² (1967=100)	117.8	129.8	137.0	133.2	138.5	138.9	139.3	139.6	138.5p	139.2p
Manufacturing (1967=100)	116.3	129.5	137.1	132.6	139.0	139.4	139.9	140.5	138.9p	139.7p
Durable (1967=100)	109.3	121.7	129.5	124.0	131.7	132.4	132.7	133.6	131.5p	132.4p
Nondurable (1967=100)	126.4	140.9	148.1	145.3	149.5	149.6	150.1	150.5	149.7p	150.1p
Leading economic indicators ^{1, 3} (1967=100)	114.1	124.7	130.9	127.3	132.6	133.8	134.1	135.2	133.4	133.4p
Employment ⁴ (mil. persons)	84.8	87.5	90.5	89.0	91.1	91.4	92.2	92.6	92.9	93.0
Unemployment rate ⁴ (%)	8.5	7.7	7.0	7.6	6.8	6.8	6.7	6.4	6.3	6.1
Personal income ¹ (\$bil. annual rate)	1,253.4	1,382.7	1,536.7	1,477.0	1,561.3	1,584.0	1,602.3	1,622.7	1,625.9p	1,634.1p
Hourly earnings in manufacturing ^{4, 5} (\$)	4.81	5.19	5.63	5.43	5.74	5.78	5.81	5.88	5.92p	5.92p
Money stock (daily average) ² (\$bil.)	\$294.5	\$312.6	\$336.7	316.3	331.6	334.6	334.7	336.7	339.4	339.1p
Time and savings deposits (daily average) ² (\$bil.)	\$450.9	\$489.7	\$544.9	499.9	525.9	531.9	540.0	544.9	550.5	557.0p
Three-month Treasury bill rate ¹ (%)	5.838	4.989	5.265	4.662	5.770	6.188	6.160	6.063	6.448	6.457
Aaa corporate bond yield (Moody's) ^{5, 7} (%)	8.83	8.43	8.02	8.04	7.92	8.04	8.08	8.19	8.41	8.47p
Interest rate on new home mortgages ^{6, 8} (%)	9.01	8.99	9.01	8.99	9.04	9.07	9.07	9.09	9.15	9.18p
Housing starts, private (including farm) (thou.)	1,160.4	1,537.5	1,986.7	1,751	2,012	2,139	2,096	2,203	1,547p	1,580p
Auto sales at retail, total ⁹ (mil.)	8.6	10.1	11.2	11.0	10.5	11.0	10.5	11.5	9.8p	—
Business sales, total ¹ (\$bil.)	180.2	200.1	222.9	215.3	224.2	227.5	230.4	236.2	229.5p	—
Business inventories, total ¹ (\$bil.)	281.8	306.3	332.6	311.2	329.5	330.5	332.7	332.6	334.8p	—
Sales of all retail stores (\$bil.) ⁹	48.4	53.5	58.9	57.3	59.0	60.7	61.6	62.1	59.7p	60.1p
Durable goods stores (\$bil.)	14.9	17.5	19.8	19.4	19.8	20.9	20.7	20.9	19.6p	19.1p
Nondurable goods stores (\$bil.)	33.5	36.0	39.1	37.9	39.2	39.9	40.9	41.1	40.1p	41.0p
Food stores (\$bil.)	11.5	12.2	13.0	12.6	13.1	13.2	13.6	13.4	13.6p	13.7p
Eating and drinking places (\$bil.)	4.3	4.8	5.3	5.3	5.5	5.4	5.5	5.5	5.4p	5.4p
Apparel and accessory stores (\$bil.)	2.6	2.8	2.8	2.8	2.7	2.9	3.0	2.9	2.7p	2.8p

¹Department of Commerce. ²Board of Governors of the Federal Reserve System. ³Composite index of 12 leading indicators. ⁴Department of Labor, Bureau of Labor Statistics. ⁵Not seasonally adjusted. ⁶December of the year listed. ⁷Moody's Investors Service. ⁸Federal Home Loan Bank Board. ⁹Adjusted for seasonal variations, holidays, and trading day differences. p. Preliminary.

Gross national product and related data

	Annual			1976				1977			
	1975	1976	1977	I	II	III	IV	I	II	III	IV
\$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product ¹	1,528.8	1,706.5	1,889.6	1,651.2	1,691.9	1,727.3	1,755.4	1,810.8	1,869.9	1,915.9	1,961.8
Personal consumption expenditures	980.4	1,094.0	1,211.2	1,056.0	1,078.5	1,102.2	1,139.0	1,172.4	1,194.0	1,218.9	1,259.5
Durable goods	132.9	158.9	179.8	153.3	156.7	159.3	166.3	177.0	178.6	177.6	186.0
Nondurable goods	409.3	442.7	480.7	430.4	437.1	444.7	458.8	466.6	474.4	481.8	499.9
Clothing and shoes	70.2	76.3	83.0	74.2	74.3	76.9	79.9	79.3	80.4	83.3	89.0
Food and beverages	209.5	225.5	246.2	219.3	223.9	227.0	232.0	237.9	244.8	248.3	254.0
Services	438.2	492.3	550.7	472.4	484.6	498.2	513.9	528.8	541.1	559.5	573.7
Gross private domestic investment	189.1	243.3	294.2	231.3	244.4	254.3	243.4	271.8	294.9	303.6	306.7
Fixed investment	200.6	230.0	276.1	216.8	226.1	232.8	244.3	258.0	273.2	280.0	293.2
Nonresidential	149.1	161.9	185.1	155.4	159.8	164.9	167.6	177.0	182.4	187.5	193.5
Residential	51.5	68.0	91.0	61.4	66.3	67.8	76.7	81.0	90.8	92.5	99.7
Change in business inventories	-11.5	13.3	18.2	14.5	18.3	21.5	-9	13.8	21.7	23.6	13.5
Net exports of goods and services	20.4	7.8	-10.9	10.2	10.2	7.9	3.0	-8.2	-9.7	-7.5	-18.2
Exports	147.3	162.9	174.7	153.9	160.6	168.4	168.5	170.4	178.1	179.9	170.6
Imports	126.9	155.1	185.6	143.7	150.4	160.6	165.6	178.6	187.7	187.4	188.8
Government purchases of goods and services	338.9	361.4	395.0	353.6	358.9	363.0	370.0	374.9	390.6	400.9	413.8
Federal	123.3	130.1	145.4	127.6	128.5	130.2	134.2	136.3	143.6	148.1	153.8
State and local	215.6	231.2	249.6	225.9	230.4	232.7	235.8	238.5	247.0	252.9	260.0
1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product	1,202.1	1,274.7	1,337.3	1,256.0	1,271.5	1,283.7	1,287.4	1,311.0	1,330.7	1,347.4	1,360.2
Personal consumption expenditures	775.1	821.3	861.2	807.2	815.5	822.7	839.8	850.4	854.1	860.4	879.8
Durable goods	112.7	127.5	138.2	125.4	126.6	127.1	130.7	136.9	137.9	136.5	141.6
Nondurable goods	307.6	321.6	333.7	316.1	319.3	321.5	329.4	329.7	330.0	332.4	342.7
Clothing and shoes	61.5	64.7	67.7	63.9	63.4	64.7	65.8	65.5	66.0	67.5	72.0
Food and beverages	151.9	159.7	167.5	155.1	158.6	160.1	163.9	165.4	166.4	167.6	170.8
Services	354.8	372.2	389.2	365.6	369.6	374.0	379.7	383.8	386.3	391.4	395.5
Gross private domestic investment	141.6	173.0	195.5	168.1	175.2	179.4	169.2	186.7	197.2	200.8	197.5
Fixed investment	151.5	164.5	183.7	158.4	163.1	165.6	171.0	177.0	184.0	185.1	188.7
Nonresidential	112.7	116.8	126.8	113.7	115.9	118.5	119.0	124.3	126.4	127.6	128.9
Residential	38.8	47.7	56.9	44.8	47.1	47.1	52.0	52.7	57.6	57.5	59.9
Change in business inventories	-9.9	8.5	11.8	9.7	12.1	13.8	-1.8	9.7	13.2	15.7	8.7
Net exports of goods and services	22.5	16.0	9.5	16.8	16.4	17.0	13.8	10.6	9.4	12.2	5.9
Exports	89.9	95.8	97.5	93.1	95.2	97.9	96.9	96.9	98.5	99.8	94.8
Imports	67.4	79.8	88.0	76.3	78.9	80.9	83.1	86.3	89.1	87.6	88.9
Government purchases of goods and services	263.0	264.4	271.1	263.9	264.4	264.6	264.6	263.3	270.0	274.0	277.0
Federal	96.7	96.5	101.4	96.4	96.1	96.7	97.1	97.0	101.1	103.3	104.2
State and local	166.3	167.9	169.7	167.5	168.4	168.0	167.5	166.4	168.9	170.7	172.8
New plant and equipment expenditures (\$ bil.)	112.78	120.49	137.02	114.72	118.12	122.55	125.22	130.16	134.24	140.38	142.38
Implicit price deflator for GNP (1972=100)	127.18	133.88	141.29	131.47	133.06	134.56	136.35	138.13	140.52	142.19	144.23
Disposable income (\$bil.)	1,084.4	1,185.8	1,309.2	1,153.3	1,174.1	1,193.3	1,222.6	1,252.4	1,292.5	1,323.8	1,368.3
Disposable income (1972 \$bil.)	857.3	890.3	930.9	881.5	887.8	890.7	901.5	908.4	924.5	934.4	955.8
Per capita disposable income (\$)	5,077	5,511	6,037	5,374	5,462	5,540	5,665	5,793	5,967	6,098	6,290
Per capita disposable income (1972 \$)	4,014	4,137	4,293	4,107	4,130	4,135	4,177	4,202	4,268	4,305	4,394
U.S. population, tot. incl. military abroad (mil.)	213.6	215.1	216.8	214.6	214.9	215.4	215.8	216.2	216.6	217.1	217.5
Civilian population (mil.)	211.4	213.0	214.7	212.5	212.8	213.2	213.7	214.1	214.5	214.9	215.4

See footnotes at end of next table.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1977					1978	
	1975	1976	1977	Feb	Sept	Oct	Nov	Dec	Jan	Feb
Export commodities:										
Wheat, f.o.b. Gulf ports (\$/bu.)	4.16	3.65	2.85	3.04	2.78	2.90	3.12	3.18	3.25	3.29
Com, f.o.b. Gulf ports (\$/bu.)	3.10	2.91	2.49	2.93	2.07	2.17	2.47	2.55	2.57	2.71
Grain sorghum, f.o.b. Gulf ports (\$/bu.)	2.95	2.73	2.30	2.63	2.01	2.11	2.36	2.36	2.35	2.39
Soybeans, f.o.b. Gulf ports (\$/bu.)	5.72	6.07	7.38	7.80	5.36	5.41	6.14	6.31	6.24	6.33
Soybean oil, Decatur (cts./lb.)	25.39	18.05	23.69	21.34	19.17	18.76	20.99	22.64	20.91	21.7
Soybean meal, Decatur (\$/ton)	124.05	155.82	192.17	211.00	143.60	135.00	161.70	160.10	152.90	162.20
Cotton, 10 market avg. spot (cts./lb.)	44.70	67.70	60.48	72.15	49.30	49.06	47.98	48.42	51.05	52.89
Tobacco, avg. price of auction (cts./lb.)	103.50	105.73	114.24	118.30	123.51	113.04	117.50	117.90	117.76	117.30
Rice, f.o.b. mill, Houston (\$/cwt)	21.28	16.17	16.96	13.90	16.50	18.30	22.60	24.15	25.00	25.00
Inedible tallow, Chicago (cts./lb.)	12.04	13.27	13.61	13.87	11.41	12.45	12.97	13.15	13.62	14.12
Import commodities:										
Coffee, N.Y. spot (cts./lb.)	.77	1.42	2.41	2.41	1.97	1.85	1.90	2.05	2.09	2.03
Sugar, N.Y. spot (cts./lb.)	22.47	13.31	10.99	11.06	10.41	10.24	n.a.	n.a.	n.a.	n.a.
Cow meat, f.o.b. port of entry (cts./lb.)	60.20	71.69	68.42	74.35	64.18	66.37	67.43	71.89	77.81	86.80
Rubber, N.Y. spot (cts./lb.)	30.60	39.59	41.59	41.11	44.40	44.51	43.97	42.58	43.51	44.76
Cocoa beans, N.Y. (\$/lb.)	.56	.94	1.72	1.93	1.78	1.60	1.60	1.48	1.31	1.28
Bananas, f.o.b. port of entry (\$/40-lb. box)	4.41	4.67	4.17	5.44	4.58	4.68	n.a.	n.a.	4.65	5.50
Canned Danish hams, ex-warehouse N.Y. (\$/lb.)	1.75	1.75	1.85	1.74	1.92	1.92	1.97	1.97	2.07	2.07
Quantity Indices										
Export (1967=100)	156	174	177	177	173	168	197	214	n.a.	n.a.
Import (1967=100)	123	138	138	146	139	113	104	172	n.a.	n.a.
Unit Value Indices										
Export (1967=100)	221	207	210	216	189	191	199	204	n.a.	n.a.
Import (1967=100)	203	217	235	281	213	219	227	217	n.a.	n.a.

n.a. not available.

U.S. agricultural exports

	October-January				January			
	1976/77	1977/78p	1976/77	1977/78p	1977	1978p	1977	1978p
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excl. poultry	—	—	37,439	41,108	—	—	8,279	7,127
Meat and preps., excl. poultry (mt)	123	117	201,000	184,263	26	29	40,701	49,608
Dairy products, excl. eggs	—	—	44,971	49,858	—	—	13,687	14,124
Poultry and poultry products	—	—	97,309	114,200	—	—	21,880	29,427
Grains and preparations	—	—	3,339,526	2,738,204	—	—	676,037	668,179
Wheat and wheat flour (mt)	7,279	7,842	974,906	891,145	1,410	1,863	185,478	222,310
Rice, milled (mt)	693	602	208,157	203,020	108	66	38,724	24,478
Feed grains (metric ton)	18,723	16,144	2,063,561	1,526,197	3,943	3,790	431,924	378,100
Other	—	—	92,902	117,842	—	—	19,911	43,291
Fruits, nuts, and preparations	—	—	340,131	411,085	—	—	60,614	84,311
Vegetables and preparations	—	—	221,519	149,320	—	—	48,609	35,236
Sugar and preps., incl. honey	—	—	22,141	22,774	—	—	4,800	8,936
Coffee, tea, cocoa, spices, etc. (mt)	13	16	37,384	49,350	4	5	11,025	19,077
Feeds and fodders	—	—	514,546	501,479	—	—	142,513	152,808
Protein meal (mt)	1,625	1,726	315,882	341,198	433	582	89,696	112,125
Beverages, excl. distilled alcoholic (gal.)	—	—	—	—	—	—	—	—
Tobacco, unmanufactured (mt)	118	101	431,756	425,600	35	24	126,146	95,684
Hides, skins, and furskins	—	—	263,868	244,084	—	—	92,588	84,674
Oilseeds	—	—	1,746,992	1,982,070	—	—	387,802	358,555
Soybeans (mt)	6,398	7,484	1,606,028	1,646,437	1,386	1,432	369,255	323,022
Wool, unmanufactured	—	—	6,037	6,698	—	—	451	1,268
Cotton, unmanufactured (mt)	264	326	434,624	466,267	77	113	127,284	157,539
Fats, oils, and greases (mt)	428	439	164,579	183,353	86	96	33,715	40,136
Vegetable oils and waxes (mt)	349	480	209,189	293,380	89	104	52,209	69,681
Rubber and allied gums (mt)	6	4	7,359	5,602	1	(¹)	1,533	(¹)
Other	—	—	239,389	186,233	—	—	56,937	61,309
Total	—	—	8,359,759	8,048,230	—	—	1,906,810	1,937,679

¹ Less than 500,000. ² Less than \$500,000. p. Preliminary.

U.S. agricultural imports

	October-January				January			
	1976/77	1977/78	1976/77	1977/78	1977	1978	1977	1978
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals live, excl. poultry	—	—	109,444	124,661	—	—	22,925	23,463
Meat and preps., excl. poultry (mt)	239	250	403,831	407,486	60	62	102,162	109,171
Beef and veal (lb.)	188	202	248,130	260,511	47	47	62,842	61,862
Pork (lb.)	46	42	145,908	134,770	12	13	36,831	42,974
Dairy products, excl. eggs	—	—	119,732	116,927	—	—	25,259	26,742
Poultry and poultry products	—	—	19,355	25,223	—	—	4,666	11,980
Grains and preparations	—	—	12,578	14,682	—	—	5,047	5,931
Wheat and flour (mt)	(¹)	(¹)	183	25	(¹)	(¹)	9	13
Rice (mt)	(¹)	(¹)	87	188	(¹)	(¹)	11	55
Feed grains (mt)	19	29	7,912	7,374	4	6	3,845	2,218
Other	—	—	4,396	7,095	—	—	1,182	3,645
Fruits, nuts, and preparations	—	—	265,036	293,665	—	—	69,955	76,502
Bananas (lb.)	696	730	102,366	103,263	168	184	24,462	24,650
Vegetables and preparations	—	—	143,160	211,593	—	—	49,720	100,990
Sugar and preps., incl. honey	—	—	337,468	445,155	—	—	56,703	63,442
Sugar, cane or beet (mt)	1,309	2,034	277,491	393,915	225	351	44,741	52,064
Coffee, tea, cocoa, spices, etc. (mt)	596	423	1,609,195	1,617,097	185	150	534,119	591,235
Coffee, green (lb.)	391	278	1,205,107	1,104,673	120	101	401,651	414,434
Cocoa beans (lb.)	68	38	126,857	149,419	31	20	57,221	68,900
Feeds and fodders	—	—	41,913	19,260	—	—	5,361	4,876
Protein meal (mt)	8	3	1,149	569	3	1	411	254
Beverages, excl. distilled alcoholic (lit)	178	169	170,799	169,347	43	48	40,450	46,898
Tobacco, unmanufactured (mt)	42	44	93,206	108,598	12	12	27,476	30,515
Hides, skins, and furskins	—	—	44,903	56,469	—	—	12,218	16,908
Oilseeds	—	—	15,866	7,053	—	—	3,358	2,254
Soybeans (mt)	(¹)	(¹)	4	8	0	0	0	0
Wool, (mt grease basis)	10	7	26,256	19,205	3	2	8,115	7,324
Cotton, unmanufactured (mt)	6	(¹)	10,048	605	(¹)	—	989	—
Fats, oils, and greases (mt)	3	2	1,368	1,375	1	1	401	353
Vegetable oils and waxes (lb.)	388	219	177,672	123,170	111	53	54,480	27,852
Rubber and allied gums (lb.)	246	244	192,812	201,799	72	48	56,191	41,248
Other	—	—	223,338	237,309	—	—	59,739	59,035
Total	—	—	4,017,980	4,200,677	—	—	1,139,334	1,246,719

¹ Less than 500,000.

Trade balance

	October-January		January	
	1976/77	1977/78	1977	1978
\$ Mil.				
Agricultural exports ¹	8,360	8,049	1,907	1,938
Nonagricultural exports ²	30,509	30,885	6,911	7,276
Total exports ²	38,869	38,934	8,818	9,214
Agricultural imports ³	4,018	4,201	1,139	1,247
Nonagricultural imports ⁴	39,798	45,784	9,880	11,561
Total imports ⁴	43,816	49,985	11,019	12,808
Agricultural trade balance	4,342	3,848	768	691
Nonagricultural trade balance	-9,289	-14,899	-2,969	-4,285
Total trade balance	-4,947	-11,051	-2,201	-3,594

¹ Domestic exports (F.A.S. value). ² Domestic and foreign exports excluding Department of Defense shipments, (F.A.S. value). ³ Imports for consumption (customs value). ⁴ General imports, (customs value). p Preliminary.

World Agricultural Production

World supply and utilization of major crops

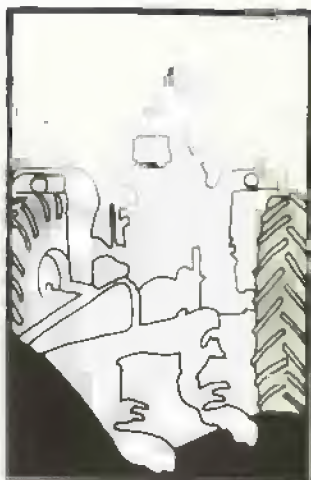
	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77 ¹	1977/78 ²
	Mil. units						
Wheat:							
Area (hectare)	212.8	210.8	216.5	220.4	225.6	232.4	226.4
Production (metric ton)	348.2	343.3	371.6	356.0	348.9	413.4	381.0
Exports (metric ton)	55.6	70.8	72.6	68.0	73.1	70.0	80.2
Consumption (metric ton) ³ . . .	341.4	361.2	363.5	362.4	351.8	375.7	394.7
Ending stocks (metric ton) ⁴ . .	78.8	61.0	69.1	62.9	60.0	97.7	83.9
Coarse grains:							
Area (hectare)	340.9	338.0	351.3	349.4	355.0	357.2	357.1
Production (metric ton)	621.9	602.7	660.9	621.0	635.2	693.9	684.3
Exports (metric ton)	55.5	69.0	80.9	69.5	88.5	88.5	86.4
Consumption (metric ton) ³ . . .	608.6	620.5	665.3	625.9	635.5	673.4	678.0
Ending stocks (metric ton) ⁴ . .	78.4	60.6	56.2	54.9	54.6	75.1	81.4
Rice, rough:							
Area (hectare)	132.0	131.5	135.8	138.1	143.1	141.6	143.4
Production (metric ton)	317.7	308.2	330.9	336.8	360.6	348.7	362.7
Exports (metric ton)	12.0	12.0	11.4	11.0	11.9	14.2	14.1
Consumption (metric ton) ³ . . .	321.0	314.9	328.4	336.9	352.7	352.9	356.0
Ending stocks (metric ton) ⁴ . .	23.7	17.0	19.5	18.2	25.9	21.6	28.2
Total grains:							
Area (hectare)	685.7	680.3	703.6	707.9	723.7	731.2	726.9
Production (metric ton)	1,287.8	1,254.2	1,363.4	1,313.8	1,344.8	1,456.0	1,428.0
Exports (metric ton)	123.1	151.8	164.9	148.5	173.5	172.7	180.7
Consumption (metric ton) ³ . . .	1,271.0	1,296.6	1,357.2	1,325.2	1,340.0	1,402.0	1,428.7
Ending stocks (metric ton) ⁴ . .	180.9	138.6	144.8	136.0	140.5	194.4	193.5
Oilseeds and meals:^{5, 6}							
Production (metric ton)	55.9	57.6	68.3	64.3	72.7	66.4	77.6
Trade (metric ton)	25.6	25.6	27.3	27.6	33.6	33.7	34.5
Fats and oils:⁶							
Production (metric ton)	43.7	42.9	47.4	46.5	49.8	48.1	52.9
Trade (metric ton)	13.3	13.3	13.6	13.7	15.8	16.6	17.4
Cotton:							
Area (hectare)	33.2	33.6	32.8	33.4	29.8	30.8	32.9
Production (bale)	59.8	63.0	63.2	64.3	54.2	58.2	65.5
Exports (bale)	18.6	21.0	19.6	17.3	19.0	18.1	19.0
Consumption (bale)	58.3	60.0	62.0	58.5	62.1	61.4	61.3
Ending stocks (bale)	21.1	23.7	25.1	30.1	22.2	19.4	23.5

¹ Estimate. ² Forecast. ³ Where stock data not available (excluding USSR), consumption includes stock changes. ⁴ Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. ⁵ Soybean meal equivalent. ⁶ Calendar year data. 1972 data corresponds with 1971/72, 1973 data with 1972/73, etc..

Production of livestock and products in major producing countries¹

	1971	1972	1973	1974	1975	1976 ²	1977 ³
Beef and veal							
Production (mil. m.t.)	33.6	34.1	34.6	37.1	39.5	41.2	41.0
Pork							
Production (mil. m.t.)	26.5	26.7	26.5	28.6	27.7	27.2	29.0
Lamb, mutton and goat							
Production (mil. m.t.)	4.8	4.6	4.3	4.3	4.8	4.8	4.4
Poultry meat							
Production (mil. m.t.)	12.2	13.1	13.9	14.4	14.4	15.8	16.3
Dairy							
Production							
Milk (mil. m.t.)	359.7	367.2	374.3	380.6	382.5	387.5	397.7
Butter (thou. m.t.)	5,027	5,360	5,531	5,506	5,575	5,719	5,931
Cheese (thou. m.t.)	6,031	6,465	6,710	7,156	7,211	7,701	7,921
Nonfat dry milk (thou. m.t.) . . .	2,988	3,429	3,424	3,553	3,908	3,934	4,000
Eggs							
Production (bil. eggs)	271.9	278.2	283.8	292.2	294.8	296.4	303.3

¹ Data are for major producing countries rather than worldwide totals. Number of countries included varies among commodities, includes 51 countries for livestock, 37 countries for dairy, and 38 countries for poultry and eggs. Data are for calendar years. ² Preliminary. ³ Forecast.



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